

# Coronavirus (COVID-19) impact on Victoria's Visitor Economy

Released April 2021

Report produced by the  
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**Note:** This report was finalised in December 2020. It therefore presents the best estimates available at the time of writing, which includes figures towards the end of the second wave of the coronavirus (COVID-19) pandemic in Victoria.

## Summary

Since March 2020, the global outbreak of coronavirus (COVID-19) has deeply affected the Australian tourism landscape. This report focuses on the impact of coronavirus (COVID-19) on the Victorian tourism industry, using a range of data sources, including insights from specific questions added to visitor surveys on how travellers responded to the coronavirus (COVID-19) pandemic, as well as broader insights on accommodation and key economic indicators.

In the six months ending June 2020, total visitors to and within Victoria was 30.7 million, a decline of 19.9 million visitors (-39%) compared to the same period in 2019. Total visitor spend in Victoria over this period experienced a deeper decline (-43%, or down \$7.0 billion) to \$9.3 billion.

### Domestic visitors

- In the March quarter 2020, 33 per cent of Australians had their **domestic travel plans** (both past or future) change as a result of the coronavirus (COVID-19) outbreak (approximately 22 per cent of Australians (15 years and over) travelled domestically in the three months prior to being questioned). This compared to 43 per cent in the June quarter, which included the full Stage 3 restrictions across Australia (when approximately nine per cent of Australians travelled domestically in the prior three months).
- There have been 10.0 million **domestic overnight visitors** in Victoria in the nine months ending September 2020 (-55% or down 12.5 million compared to the nine months ending September 2019).
- Following the easing of the national restrictions there was a softening decline in **intrastate overnight visitors** to/within Victoria in May and June. The Stage 3 and 4 restrictions that began in Victoria in July saw a return to a level of decline in August (-88%) that was experienced in April (-89%).
- **Interstate overnight visitors** to Victoria have experienced sustained declines of at least 90 per cent since April. These declines have seen a notable shift in proportions of domestic overnight travel. Interstate travel accounted for 36 per cent of visitors in Victoria but 52 per cent of spend in September 2019 however, in September 2020 this fell to just 5 per cent for visitors and 12 per cent of spend.
- Declines each month were similar for **interstate overnight visitors** to Victoria and visitors to **Melbourne**, and for **intrastate overnight visitors** within Victoria and visitors to **regional Victoria**, reflecting the dominant share of visitors to each destination.
- In terms of event attendance, as event sizes increase the proportion of domestic travellers less likely to attend an event increases for both **indoor** and **outdoor** events. Results are more favourable for **outdoor events**. Those that stated they were more likely to attend an event or had the same level of intention most were looking to home state events rather than interstate events.

### International visitors

- There have been 612,000 **international overnight visitors** in Victoria in the six months ending June 2020 (-61%, or down 942,000 visitors compared to the six months ending June 2019).
- The deepest decline in visitors was from Victoria's highest spending international market China, which declined by 75 per cent in visitors (down 264,000 visitors). The next deepest falls in volume of visitors were from New Zealand (-55%, or down 91,000) and the United States of America (-61%, or down 82,000).
- International visitors arriving in Victoria for a short-term trip (less than 1 year) in September 2020 declined by 99.8 per cent compared to the same month in 2019 (recording only 330 short-term visitor arrivals).

### Other tourism industry performance indicators

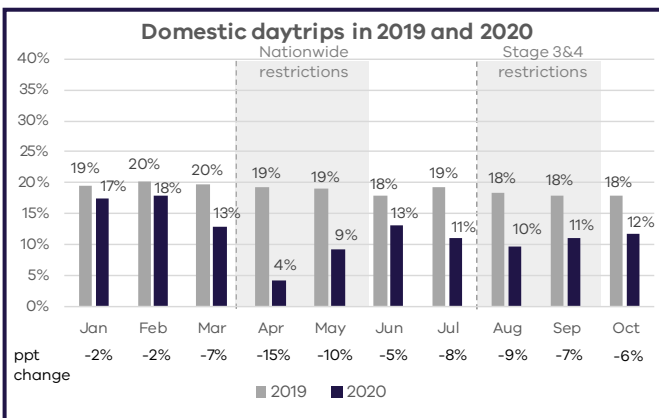
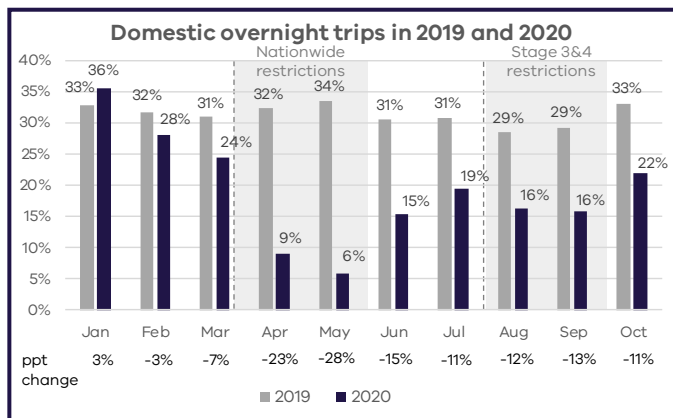
- The severe negative impacts of coronavirus (COVID-19) on monthly **accommodation (hotels, motels and serviced accommodation of at least 10 rooms)** have seen **occupancy** rates in Victoria take a sharp dive from March 2020. Occupancy rates in Victoria fell from 77.4 per cent in February 2020 to a low of 26.5 per cent in April, then lifted slightly to 33.1 per cent in June pre-Stage 4 restrictions.
- The sharpest impact of the crisis on **payroll jobs** has been in tourism related industries in Victoria. From the week ending 14 March to week ending 14 November 2020 Victoria had the deepest change in payroll jobs of all states and territories (-5.4%) compared to the national average decline of 2.9 per cent. Jobs in accommodation and food services (-22.6%) as well as arts and recreation services (-19.6%) experienced the deepest declines in Victoria.

# Impact of coronavirus (COVID-19) on trip behaviour

## Trip rates by Australians – to October 2020

The following charts show the changes in domestic overnight (taken in the last month) and daytrip (taken in the last seven days) rates from January to the end of October 2020. Domestic overnight trips were at their lowest in May 2020 (6%) and domestic daytrips in April (4%). When comparing to the same month in 2019, May 2020 shows the most substantial percentage point change in domestic overnight trips compared to May 2019, down 28 percentage points, while domestic

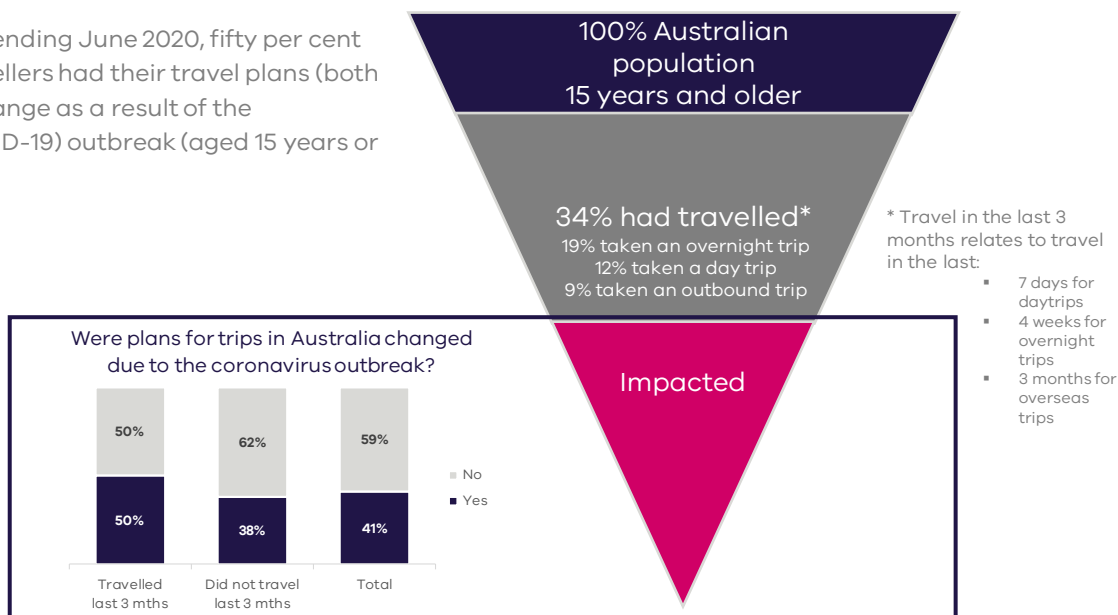
daytrips had the most substantial difference in April 2020 (down 15 percentage points when compared to April 2019). This reflects the nationwide lockdown in May. Despite Melbourne being in Stage 4 Stay at Home restrictions (limiting travel to within 5kms and only four reasons to leave home), the October school holidays in other states looks to have had a positive impact in those states although lower trip rates compared to 2019.



**How to interpret:** The trip rate for October tells us 22 per cent of National Visitor Survey respondents interviewed that month reported taking one or more overnight trips in the preceding 28 days (the reference period). The return date will have been in September for some of these trips. The trip rate percentage for the month of October refers to trips returned from in that month.

## Impact of coronavirus (COVID-19) on trips by Australians – to June 2020<sup>1</sup>

In the six months ending June 2020, fifty per cent of Australian travellers had their travel plans (both past or future) change as a result of the coronavirus (COVID-19) outbreak (aged 15 years or older).



Note: <sup>1</sup>March and June quarters 2020 compared and includes both those who had travelled and not travelled in the last 3 months when questioned unless otherwise specified. Source: National Visitor Survey, year ending June 2020, produced by Tourism Research Australia, October 2020. Figures and charts produced by Tourism, Events and Visitor Economy Research Unit.

# Impact of coronavirus (COVID-19) on trip behaviour

## Coronavirus (COVID-19) questions<sup>1</sup> (asked from January to June 2020), revealing the following impacts on planned and future trips.

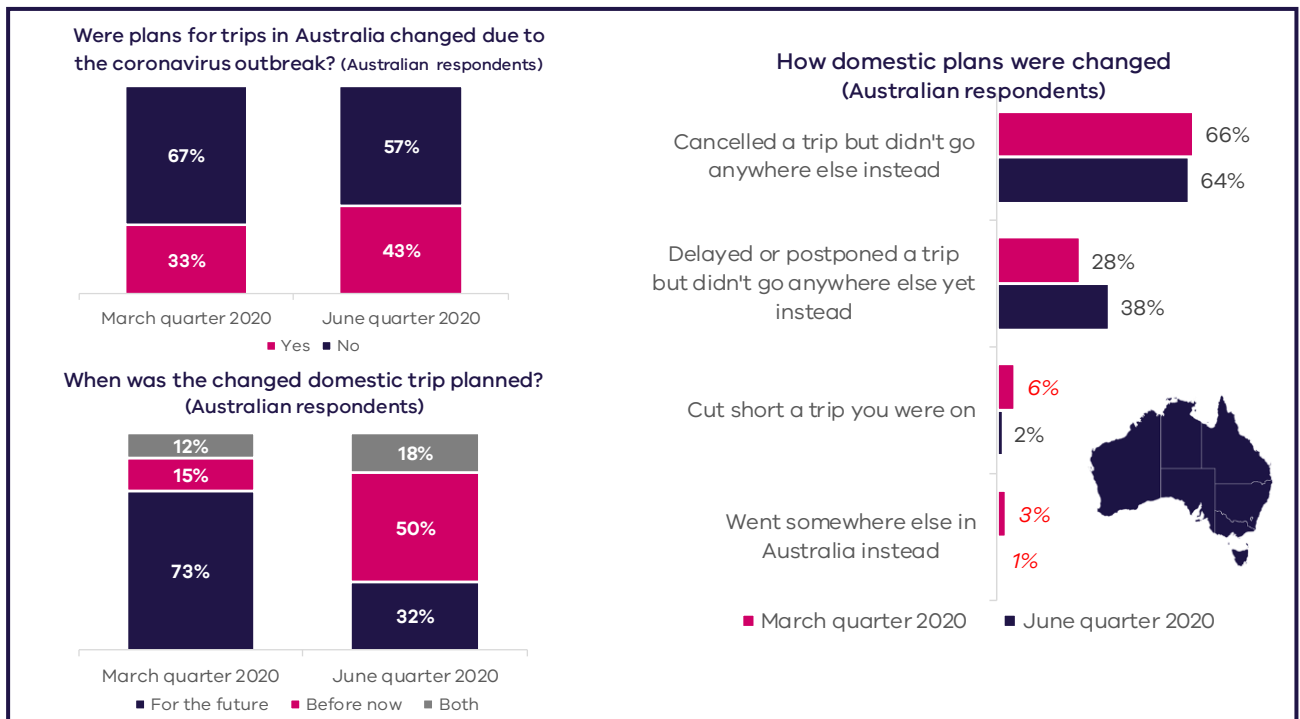


In the March quarter 2020, 33 per cent of **Australians had their domestic travel plans** (both past and future) changed as a result of the coronavirus (COVID-19) outbreak, with early stages of restrictions beginning on 23 March. This is compared to 43 per cent in the June quarter, which included the full Stage 3 restrictions across Australia, that began on 29 March and began to ease in mid-May, and the cessation of outbound travel.

- In the June quarter 2020, Victorians aged 45-64 years were more likely to have changed their domestic travel plans due to the Coronavirus outbreak (48% compared with 41% of Victorians overall), followed closely by those aged 35-44 years (46%), while those aged 15-24 years old were the least likely to have changed their plans (31%).
- In the June quarter 2020, 50 per cent stated their domestic trip that had been planned was changed 'before now' (compared to 15% in the March quarter 2020) and 32 per cent changed 'for the future' (compared to 73% in the March quarter 2020).

Travellers (those who had taken a trip in the last three months when answering the survey) compared to non travellers (those who had not travelled in the last three months) were more likely to have changed their domestic travel plans in the June quarter results (53% compared to 40%). These were more than in the March quarter 2020 where the percentages were 40 per cent for travellers and 29 per cent for non-travellers.

- Cancellations of planned domestic trips were similar in the June quarter 2020 (64%) and March quarter (67%), however trips were delayed or postponed more in the June quarter (38% compared to 27%).
- With the changes to future domestic trips, there had been a shift by the end of June quarter 2020 to people more likely to delay or postpone a trip than cancel it. In the June quarter 2020 43 per cent of respondents stated they were going to 'cancel a trip and did not plan to go elsewhere' (compared to 56% in the March quarter 2020) and 56 per cent were going to 'delay or postpone and did not plan to go elsewhere' (compared to 46% in the March quarter 2020).



Note: 'March and June quarters 2020 compared and includes both those who had travelled and not travelled in the last 3 months when questioned unless otherwise specified. Figures in red italics had low samples and therefore must be interpreted with caution.

Source: National Visitor Survey, year ending June 2020, produced by Tourism Research Australia, October 2020.

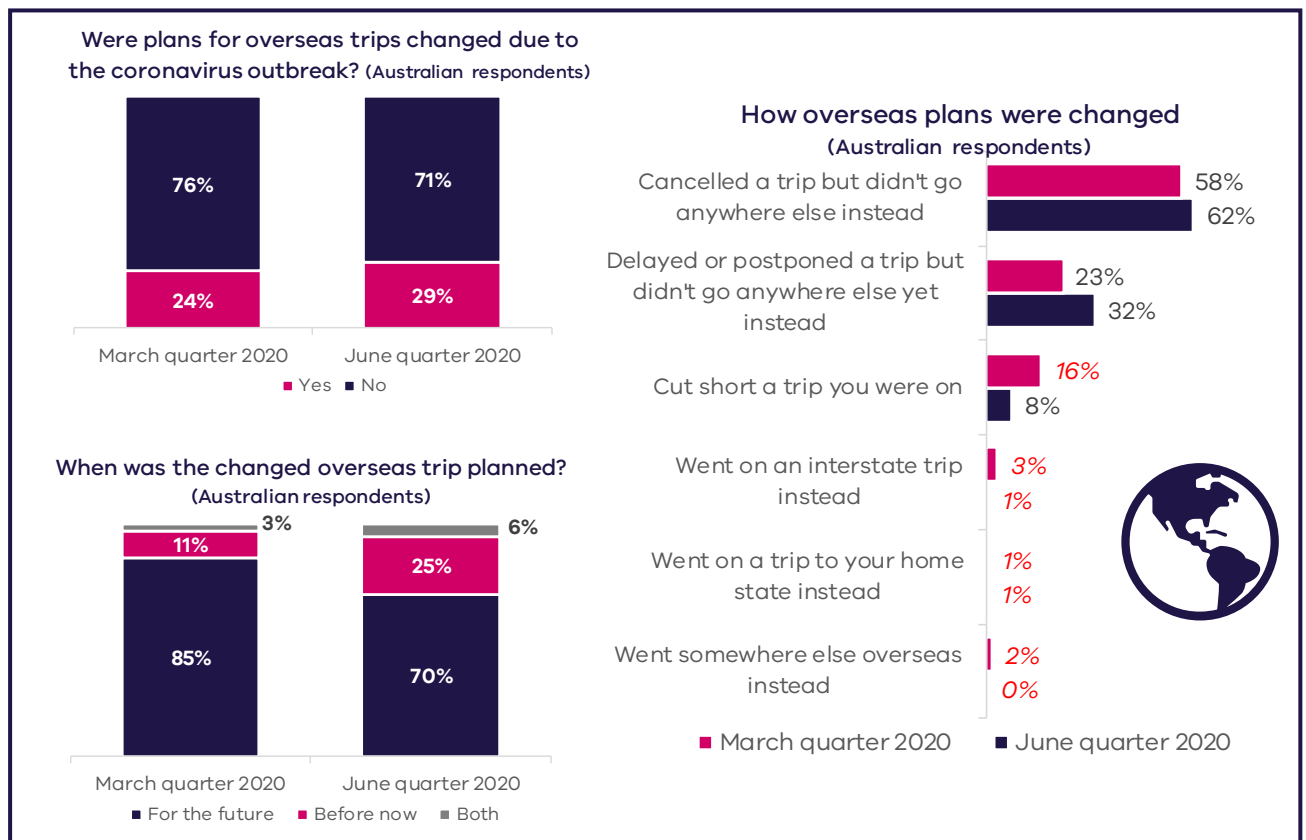
Figures and charts produced by Tourism, Events and Visitor Economy Research Unit.



## Impact of coronavirus (COVID-19) on trip behaviour

**For Australian residents with overseas travel plans in June quarter 2020, 29 per cent changed their plans because of coronavirus (COVID-19), with the majority of these (70%) planned in the future.**

- In the June quarter 2020, Victorians aged 45-64 years were more likely to have changed their overseas travel plans due to the Coronavirus outbreak (34% compared with 30% of Victorians overall), followed closely by those aged 25-44 years (32%), while those aged 65+ years old were the least likely to have (23%).
- Travellers (those who had taken a trip in the last three months) compared to non travellers (those who had not travelled in the last three months) were more likely to have changed their overseas travel plans in the June quarter results (37% compared to 27%). These were more than in the March quarter 2020 where the percentages were 31 per cent for travellers and 20 per cent for non-travellers.
- Cancellations of planned overseas trips were similar in the June quarter 2020 (62%) and March quarter (58%), however trips were delayed or postponed more in the June quarter (32%, compared to 23%).
- With the changes to future overseas trips, there had been a slight shift by the end of June quarter 2020 to people more likely to delay or postpone a trip than cancel it. In the June quarter 2020, 48 per cent of respondents stated they were going to 'cancel a trip and did not plan to go elsewhere' (compared to 50% in the March quarter 2020) and 50 per cent were going to 'delay or postpone and did not plan to go elsewhere' (compared to 47% in the March quarter 2020).



Note: 'March and June quarters 2020 compared and includes both those who had travelled and not travelled in the last 3 months when questioned unless otherwise specified. Figures in red italics had low samples and therefore must be interpreted with caution.

Source: National Visitor Survey, year ending June 2020, produced by Tourism Research Australia, October 2020.

Figures and charts produced by Tourism, Events and Visitor Economy Research Unit.

## Overview of Victoria's Visitor Economy

Since March 2020, the global outbreak of coronavirus (COVID-19) has deeply affected the Australian tourism landscape. The impact of coronavirus (COVID-19) followed on from an already challenging start to the year, with devastating summer bushfires in the East Gippsland and Victoria's High Country tourism regions.

The results for both international and domestic travel reflect the impacts of progressive travel bans, and restrictions on movement, combined with growing concerns about travel due to coronavirus (COVID-19).

The latest combined figures are for six months ending June 2020, as these are the latest international visitor figures available. Further into the report, some key domestic visitor metrics are available and therefore reported up until September 2020.

Total visitors to and within Victoria in the six months ending June 2020 was 30.7 million, a decline of 19.9 million visitors, or 39 per cent, compared to the same period in 2019. Total visitor spend in Victoria experienced an even sharper decline over the same period (-43%, or a \$7.0 billion decline).



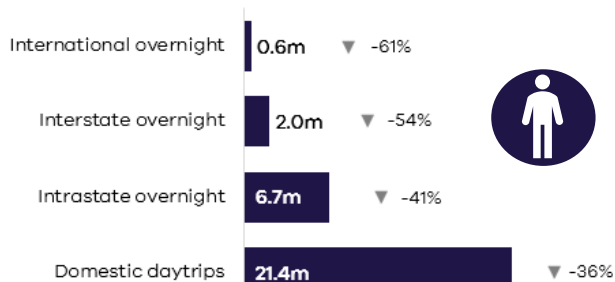
Substantial declines were noted across all visitor categories in the six months ending June 2020 in Victoria as the impacts of the coronavirus (COVID-19) unfolded, reflecting the border closures and movement restrictions. These results include the nationwide restrictions in March/April and were before the Stage 3 and 4 restrictions in Victoria from July, that included the 5km travel distance limit for Melburnians.

In the six months ending June 2020 compared to six months ending June 2019, international travel to Victoria suffered the deepest decline in visitors as a result of travel bans which were progressively implemented from February with overnight visitors (-61%, or down 0.9 million), visitor nights (-48%, or down 17.8 million) and spend (-46%, or down \$2.1 billion).

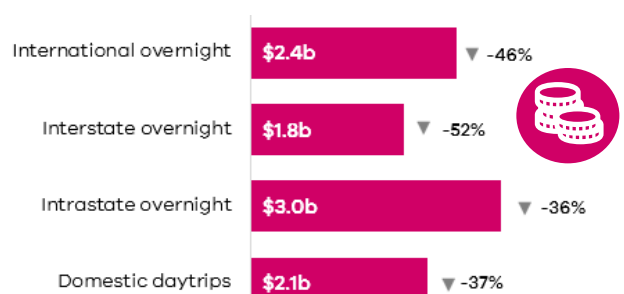
Interstate travel has been impacted due to state border closures and other preventive measures to stop the spread of the virus that limited movement. This is shown by substantial declines noted in interstate overnight visitors (-54%, or down 2.3 million), nights (-51%, or down 9.0 million) and overnight spend (-52%, or down \$2.0 billion).

With some limited movement enabled in May/June in Victoria, there was some recovery in intrastate travel and daytrips, however there remained a decline on the previous year. Intrastate overnight travel had a substantial decline in visitors (-41%, or down 4.7 million), nights (-24%, or down 6.7 million) and spend (-36%, or down \$1.7 million). Daytrips experienced a similar decline in spend (-37%, or down \$1.2 billion) with a softer decline in visitors (-36%, or down 11.9 million). Note that these results reflect travel that occurred prior to the 5km travel distance limit.

### Visitors to/within Victoria - 6 months ending June 2020



### Spend in Victoria in 6 months ending June 2020



## Overview of Victoria's Visitor Economy (continued)

### TOTAL VISITORS TO AND WITHIN VICTORIA

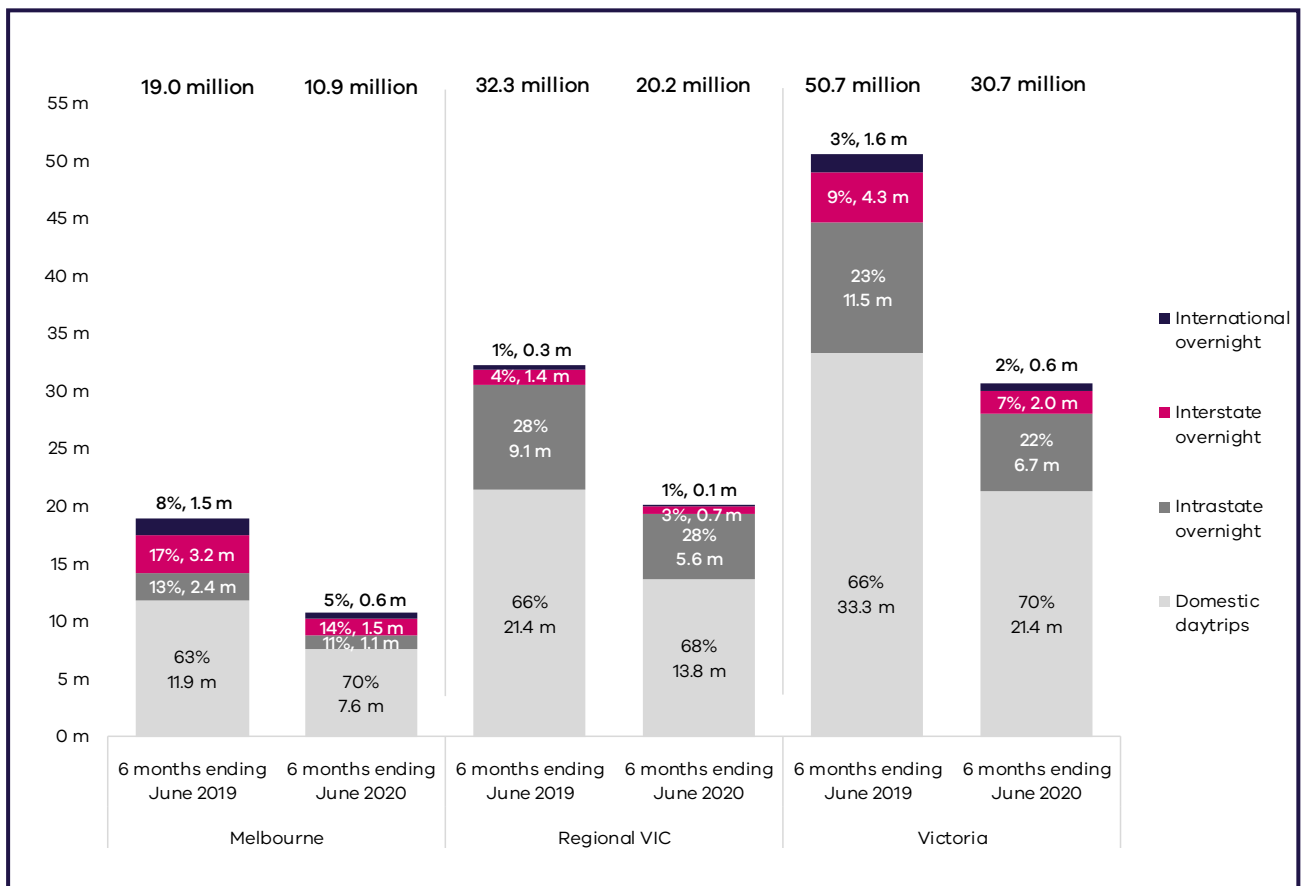
Six months ending June 2020 compared to the six months ending June 2019

The chart below shows the change in proportions of visitors to/within Victoria in the six months ending June 2020 compared to the six months ending June 2019. There was a greater proportion of daytrips to/within Melbourne, increasing from 63 per cent to 70 per cent, although the overall numbers of daytrips declined by 4.2 million (or -36%). The decline in volume of daytrips for regional Victoria was the largest, down 7.7 million (or -36%), although there was a slight increase in share (66% to 68%). The next largest volume decline was intrastate visitors to regional Victoria (down 3.5 million, or -38%).

The deepest declines in spend were by:

- international overnight visitors to Melbourne (down \$1.9 billion, or -45%), followed by
- interstate spend in Melbourne (down \$1.5 billion, or -52%).

Intrastate spend was down by \$907 million (or -29%) in regional Victoria and by \$781 million (or -52%) in Melbourne. Daytrip spend in regional Victoria was down \$746 million (or -36%).





## Overview of Victoria's Visitor Economy (continued)

### TOP 10 SOURCE MARKETS BY OVERNIGHT VISITORS

Six months ending June 2020

Overnight visitors, nights and overall spend declined for all of Victoria's source markets in the six months ending June 2020 compared to the same period in the previous year.

The deepest declines in visitors from the top source markets reflected the border closures. With:

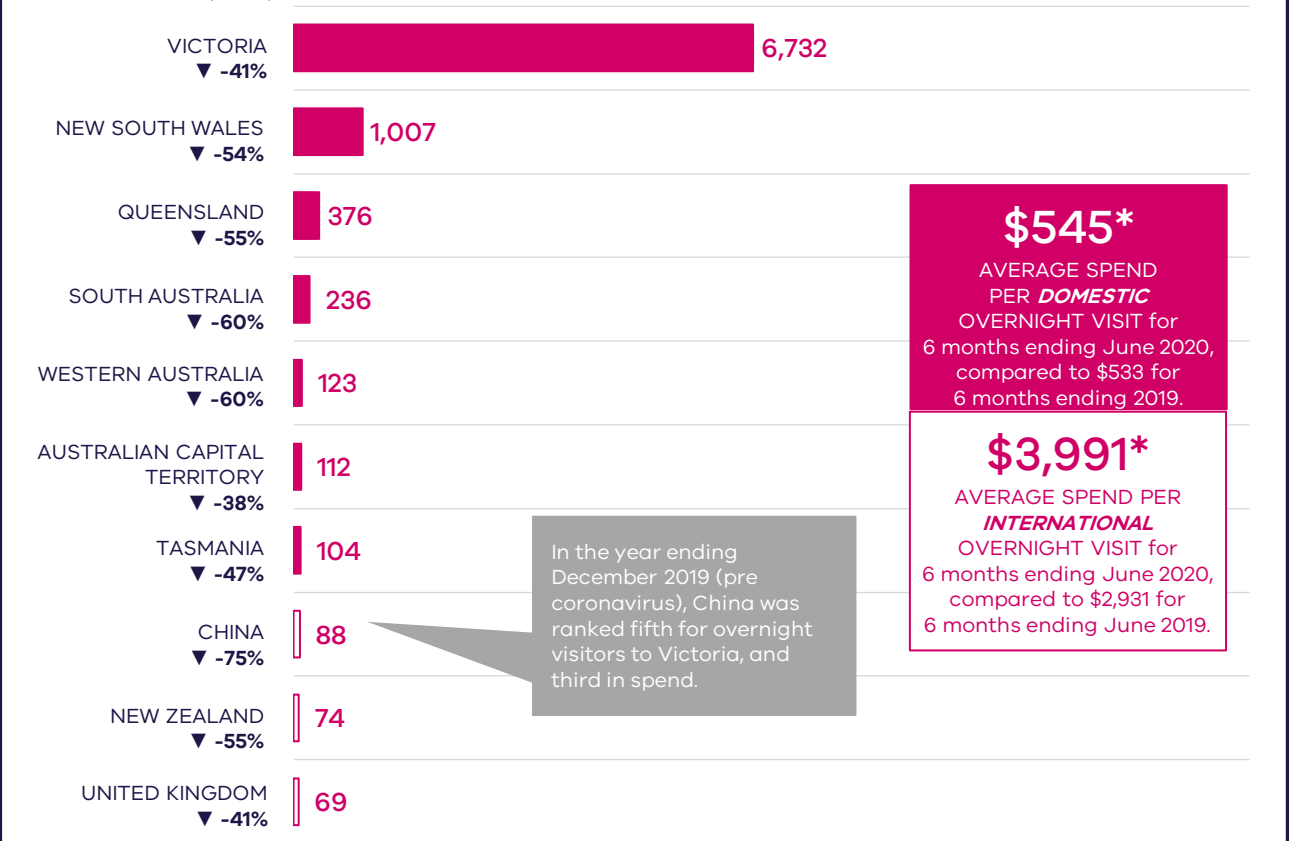
- the Australian border closed to China on 1 February and all non-residents on 20 March. The top international visitor markets saw sharp declines – China (-75%), New Zealand (NZ) (-55%) and the United Kingdom (UK) (-41%). All international source markets experienced declines of at least 50 per cent, with the exception of the UK.
- State and Territory borders closed on 25 March with Western Australia (WA), South Australia (SA), Queensland, Tasmania and Northern Territory (NT). The deepest declines in domestic overnight visitors were from SA and WA (both down 60%), Queensland (-55%) and New South Wales (NSW) (-54%).

The top 10 spending source markets (both domestic and international) for the six months ending June 2020 include:

- China, ranked 3<sup>rd</sup> with \$851m, compared to 2<sup>nd</sup> for the six months ending June 2019. Their spend fell \$928m (-52%) between those periods, almost eight times that of the UK (the market with the second highest volume loss (-\$119m)). Victoria's rate of decline for Chinese spend was less than the national average (-60%), as well as Queensland and NSW (both -63%).
- India, ranked 5<sup>th</sup> with \$207 million, compared to ranked 7<sup>th</sup> in the six months ending June 2019
- Malaysia, ranked 8<sup>th</sup> with \$105m, compared to ranked 10<sup>th</sup> in the six months ending June 2019
- The increase in spend ranking by Indian and Malaysian visitors was influenced by a slight increase in share of education visitor spend at the expense of China where the share in education visitor spend fell from 54 per cent to 45 per cent in the first six months of 2020.

#### TOTAL OVERNIGHT VISITORS TO AND WITHIN VICTORIA

Data in thousands (000s)



\* Declines in visitors and spend from each source market have changed the profile of average visitor. For example, changes in length of stay and purpose (such as international education and domestic business) have positively influenced the average spend per visitor.

Source: International and National Visitor Surveys, year ending June 2020, produced by Tourism Research Australia, October 2020.

Figures and chart produced by Tourism, Events and Visitor Economy Research Unit.

## Overview of Victoria's Visitor Economy (continued)

### DOMESTIC OVERNIGHT VISITORS TO AND WITHIN VICTORIA'S REGIONS

Six months ending June 2020 compared to the six months ending June 2019

Substantial declines were noted for all of Victoria's regions in the six months ending June 2020 compared to the same period in 2019.

International overnight visitors to regional Victoria represent one per cent of overall visitors to/within the area (excludes international daytrip visitors). As shown in the following chart, the largest volume declines in domestic overnight **visitors** for the six months ending June 2020 compared to six months ending June 2019 were for:

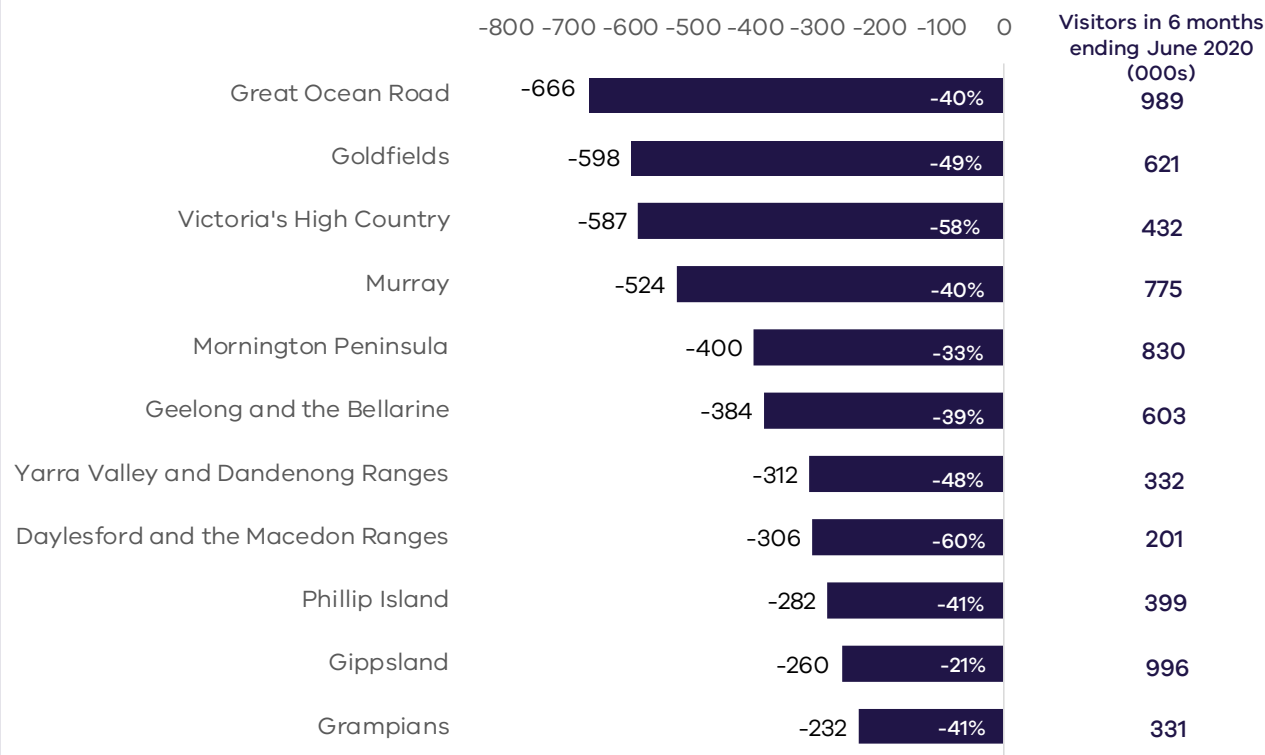
- Great Ocean Road, down 666,000 (-40%) domestic overnight visitors to 989,000,
- Goldfields, down 598,000 (-49%) to 621,000,
- Victoria's High Country, down 587,000 (-58%) to 432,000, and
- Murray, down 524,000 (-40%) to 775,000.

The largest percentage decline was experienced for Daylesford and the Macedon Ranges (down 60%).

Over this period, the regions with the largest volume decline in domestic overnight **spend** were for:

- Victoria's High Country, down \$278 million (-61%) to \$179 million (noting bushfires in January/February),
- Murray, down \$198 million (-38%) to \$325 million,
- Goldfields, down \$191 million (-52%) to \$176 million, and
- Yarra Valley and Dandenong Ranges, down \$109 million (-54%) to \$92 million.

Volume and % change in domestic overnight visitors to/within Victoria's regions



6 months ending June 2020 compared to 6 months ending June 2019  
(000s)

## Overview of Victoria's Visitor Economy (continued)

### DOMESTIC DAYTRIP VISITORS TO AND WITHIN VICTORIA'S REGIONS

Six months ending June 2020 compared to the six months ending June 2019

Substantial declines were experienced with domestic daytrips visitors. These declines were softer than domestic overnight visitors for most regions. Notable variations in declines in domestic overnight visitors compared to domestic daytrip visitors include Daylesford and the Macedon Ranges (-60% for overnight compared to -19% daytrip), Victoria's High Country (-58% compared with -31%), Grampians (-41% compared with -12%), Phillip Island (-41% compared with -28%) and Geelong and the Bellarine (-39% compared with -27%).

As shown in the following chart, the largest volume declines in domestic daytrip visitors for the six months ending June 2020 compared to six months ending June 2019 were for:

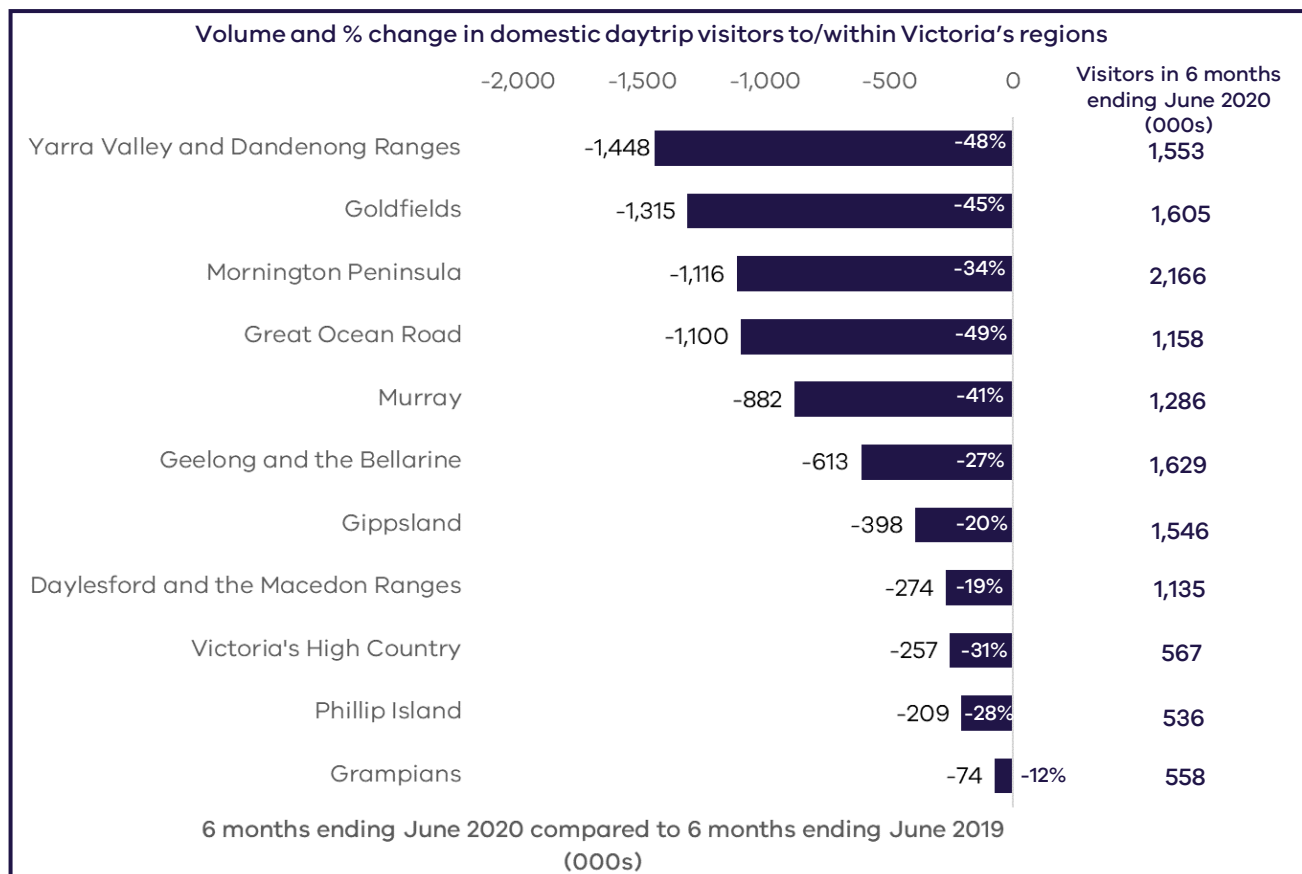
- Yarra Valley and Dandenong Ranges, down 1.4 million (-48%) to 1.6 million,

- Goldfields, down 1.3 million (-45%) to 1.6 million,
- Mornington Peninsula, down 1.1 million (-34%) to 2.2 million, and
- Great Ocean Road, down 1.1 million (-49%) to 1.2 million, with the largest percentage decline of all the regions.

The softest percentage declines were experienced by Grampians (down 12%, or 74,000) and Daylesford and the Macedon Ranges, (down 19%, or 274,000).

Over this period, the regions with the largest volume decline in domestic daytrip spend were for:

- Yarra Valley and Dandenong Ranges, down \$135 million (-55%) to \$109 million,
- Murray, down \$126 million (-46%) to \$147 million, and
- Mornington Peninsula, down \$116 million (-43%) to \$151 million.



Source: National Visitor Surveys, year ending June 2020, produced by Tourism Research Australia, October 2020.  
Figures and chart produced by Tourism, Events and Visitor Economy Research Unit.

## Overview of Victoria's Visitor Economy (continued)

### INTERNATIONAL OVERNIGHT VISITORS TO VICTORIA'S REGIONS

Six months ending June 2020 compared to the six months ending June 2019

Substantial declines in international overnight visitors and spend were noted for all of Victoria's regions in the six months ending June 2020 compared to the same period in 2019. This reporting only includes international overnight visitors because the International Visitor Survey (IVS) does not capture specific detail on international daytrips.

As shown in the following chart, the largest volume declines in international overnight visitors for the six months ending June 2020 compared to six months ending June 2019 were for:

- Great Ocean Road, down 75,000 (-57%) to 57,000,
- Gippsland, down 28,000 (-65%) to 15,000,
- Mornington Peninsula, down 22,000 (-54%) to

18,000, and

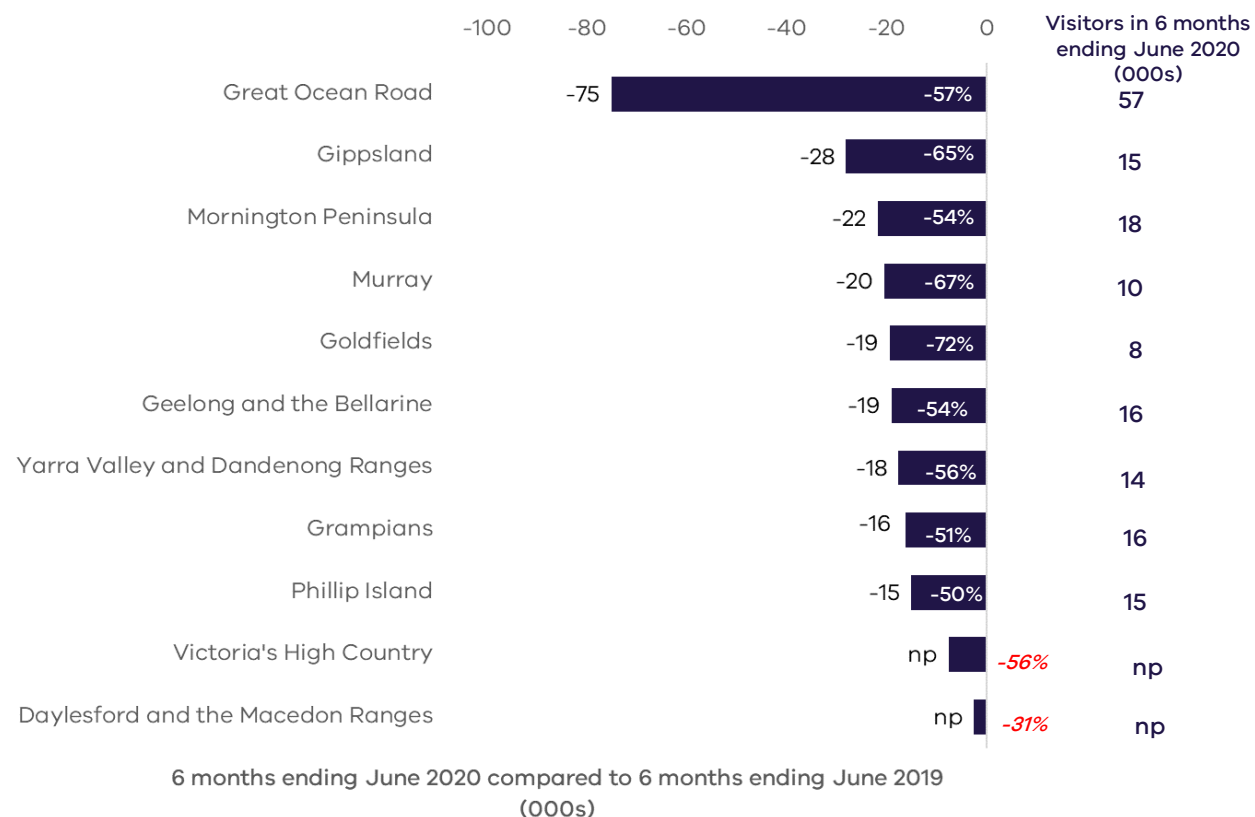
- Murray, down 20,000 (-54%) to 10,000

The largest percentage decline of all the regions was experienced by Goldfields (down 72%, or 72,000).

Over this period, the regions with the largest volume decline in international overnight spend were for:

- Geelong and the Bellarine, down \$44 million (-72%) to \$17 million,
- Murray, down \$42 million (-83%) to \$9 million, and
- Great Ocean Road down \$39 million (-66%) to \$20 million.

Volume and % change in international overnight visitors to/within Victoria's regions



Source: International Visitor Survey, year ending June 2020, produced by Tourism Research Australia, October 2020.

Note figures in red italics had low samples and therefore must be interpreted with caution.

Figures and chart produced by Tourism, Events and Visitor Economy Research Unit.

# Domestic Overnight and Daytrip Visitors



## Domestic visitors in 2020

Domestic survey data is now being provided monthly, to capture the emerging trends as early as possible. This allows key metrics for domestic visitors to be available up until September 2020.

Victoria recorded a significant loss in domestic visitor spend (overnight and daytrip) of \$9.8 billion for the period January to September 2020, compared to the same period in 2019.

In July stay at home restrictions were reactivated in Victoria in response to a second wave of coronavirus (COVID-19). This saw a decline in overnight visitors and spend in August to levels seen in April during the initial phase of nation-wide stay at home restrictions.

These were gradually eased in September for regional Victoria, including being allowed to travel for holidays from mid-September, resulting in a slight improvement in trips on August but numbers remained well below those seen before the second wave.

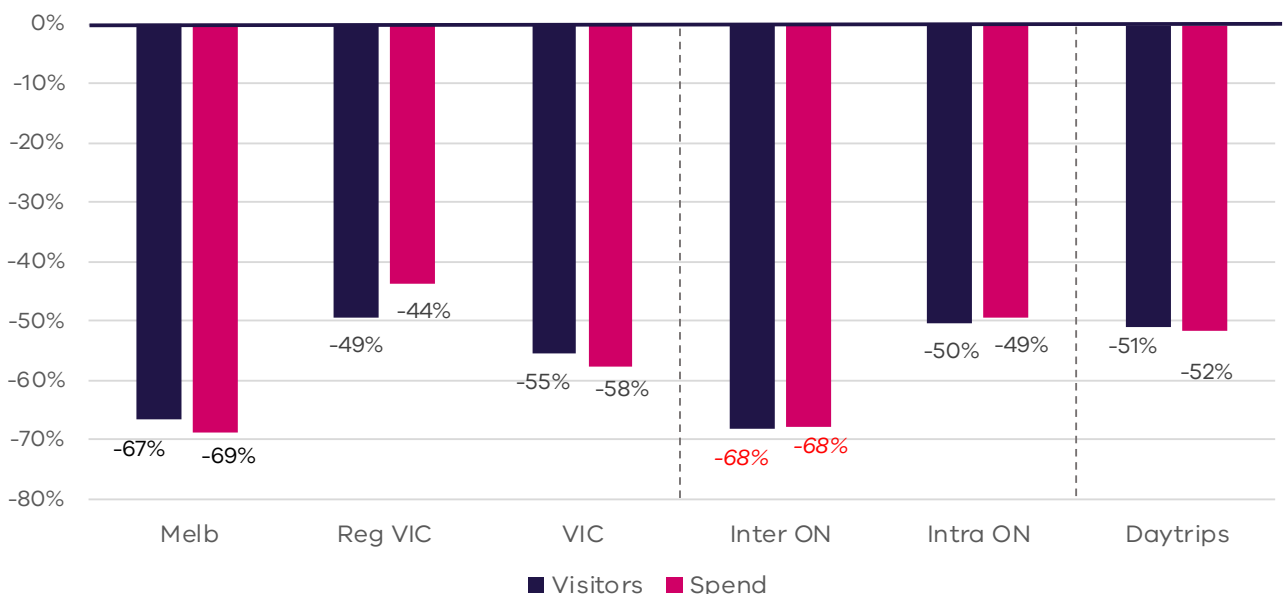
There have been 10.0 million domestic overnight visitors in Victoria in the nine months ending September 2020 (-55% or down 12.5 million compared to the nine months ending September 2019).

Victoria recorded a loss of \$7.3 billion in domestic overnight spend and a further loss of \$2.5 billion in domestic daytrip spend in the nine months ending September 2020, compared to the same period in 2019.

These declines have seen a notable shift in proportions of domestic overnight travel. Interstate travel accounted for 36% of visitors in Victoria but 52% of spend in September 2019, however in September 2020 this fell to just 5% for visitors and 12% of spend.

The chart below shows that declines for the nine months ending September 2020 compared to the same period in 2019 were similar for interstate visitors to Victoria and visitors to Melbourne, and for intrastate visitors within Victoria and visitors to regional Victoria.

**Domestic Overnight Visitors, Spend & Daytrips to and within Victoria**  
January - September % change 2019/20

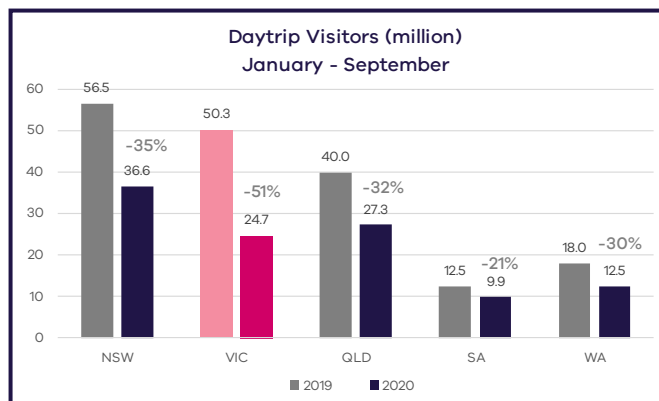
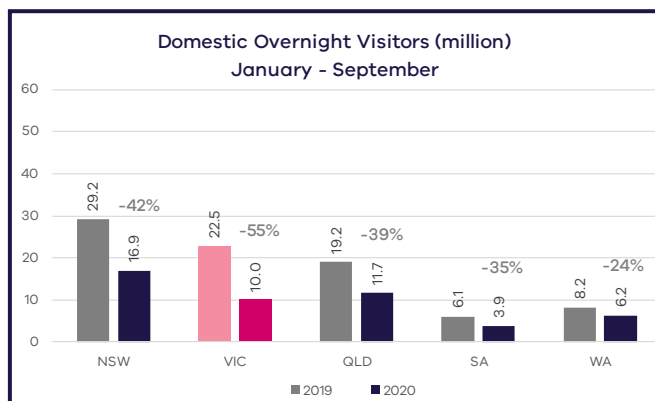


Source: Tourism Research Australia, NVS monthly estimates for September 2020 as part of its provision of additional data to help monitor the impacts of Australia's summer bushfires and coronavirus (COVID-19) on tourism. Note figures in red italics had low samples and therefore must be interpreted with caution. Chart produced by Tourism, Events and Visitor Economy Research Unit.

# Domestic Overnight and Daytrip Visitors (continued)

## State comparisons – 9 months to September 2020

- Domestic overnight visitors to/within Victoria fell by 55 per cent in the months from January to September 2020 (compared to January to September in 2019), down 12.5 million to 10.0 million (compared to NSW, -42% or down 12.3 million and Queensland, -39% or down 7.4 million).
- Domestic overnight spend in Victoria fell by 58 per cent over the same period, down \$7.2 billion to \$5.3 billion (compared to NSW, -48% or down \$8.5 billion and Queensland, -46% or down \$6.6 billion).
- Domestic daytrip visitors to/within Victoria fell by 51 per cent in the months from January to September 2020, compared to January to September in 2019, down 25.6 million to 24.7 million (compared to NSW, down 35% or 19.9 million and Queensland, down 32% or 12.7 million).
- A further \$2.5 billion has been lost in domestic daytrip spend since the start of the year resulting in a loss in total domestic visitor spend for Victoria of \$9.8 billion compared to the same period in 2019.

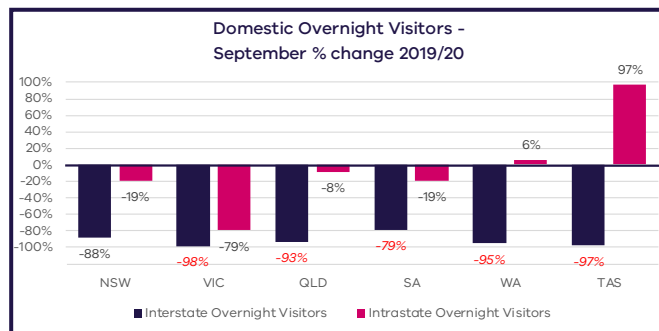
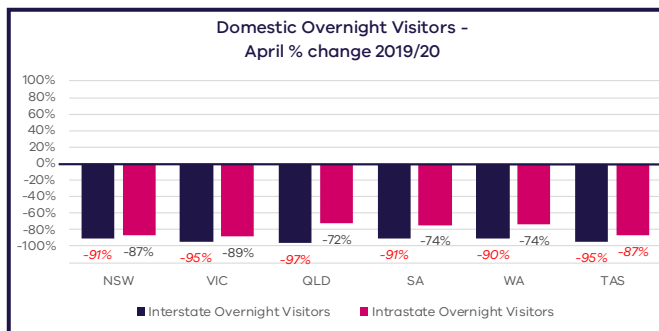


## State comparisons – focus on April 2020 and September 2020

The charts below highlight how all states suffered major falls in domestic overnight visitors in April as Stage 3 restrictions were put in place across Australia from 29 March. Easing of restrictions began on 27 April. Declines for April 2020 compared to April 2019 were over 90 per cent for all interstate overnight visitors, and intrastate overnight visitors within Victoria were down 89 per cent (compared to -87% in NSW).

After improved rates of travel from May to June, interstate and intrastate overnight visitors to/within Victoria fell significantly again in August and

September, similar to April levels, following Stage 4 restrictions for the State that began in July to control the second wave of coronavirus (COVID-19). In contrast, most States and Territories experienced more moderate declines in intrastate visitors in September 2020 (compared to September 2019) than they did in April 2020 (compared to April 2019), within Tasmania (+97%, almost doubling) and WA the only other State to experience growth (+6%). With most borders between States remaining closed, declines in interstate visitors in September 2020 compared to September 2019 were experienced by all, although they were softer than experienced in April 2020 compared to April 2019.



Source: Tourism Research Australia, NVS monthly estimates for September 2020 as part of its provision of additional data to help monitor the impacts of Australia's summer bushfires and coronavirus (COVID-19) on tourism. Note figures in red italics had low samples and therefore must be interpreted with caution. Charts produced by Tourism, Events and Visitor Economy Research Unit.



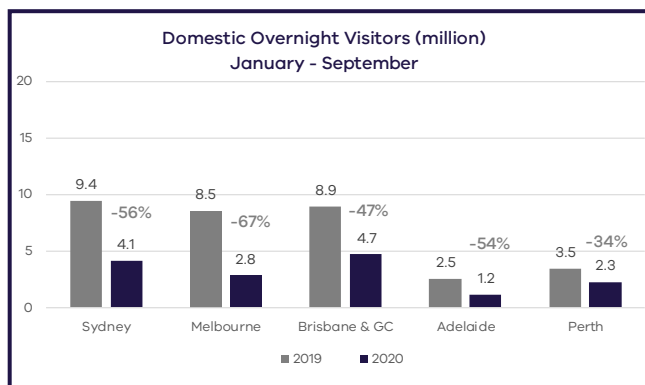
# Domestic overnight visitors – metro and regional Australia

## Metro: domestic overnight visitors

In the nine months to September 2020 there have been deep declines in both spend and visitors across major metro areas in Australia.

The most substantial declines in the nine months to September 2020 for domestic overnight visitors was in Melbourne (down 67% compared to the nine months to September 2019, or down 5.7 million), followed by Sydney (-56%, or down 5.3 million), Adelaide (-54%, or down 1.4 million) and Brisbane and the Gold Coast (-47%, or down 4.2 million).

Domestic overnight visitor spend in Melbourne declined by 69 per cent in the nine months to September 2020 resulting in a reduction in spend of \$4.8 billion compared to the same period in 2019, followed by Sydney (-66%, or down \$4.5 billion) and Brisbane and the Gold Coast (-54%, or down \$3.6 billion).

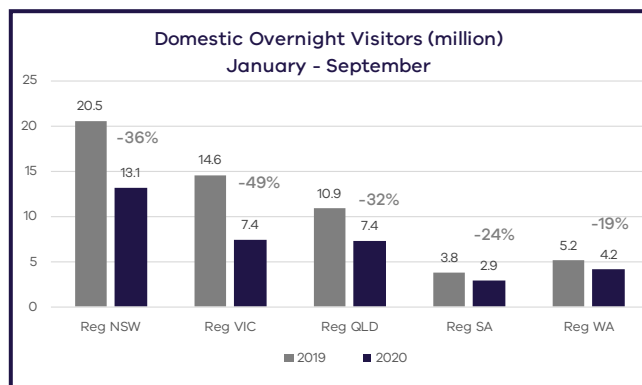


## Regional: domestic overnight visitors

Over this period there have also been deep declines in both spend and visitors noted across major regional areas in Australia, although softer than for the major metro areas.

The deepest declines in the nine months to September 2020 for domestic overnight visitors was for regional Victoria (down 49% compared to the nine months to September 2019, or down 7.2 million), followed by regional NSW (-36%, or down 7.4 million) and regional Queensland (-32%, or down 3.5 million).

Domestic overnight visitor spend in regional Victoria declined by 44 per cent in the nine months to September 2020 resulting in a reduction in spend of \$2.4 billion compared to the same period in 2019, followed by regional Queensland (-39%, or down \$3.0 billion) and regional NSW (-36%, or down \$3.9 billion).

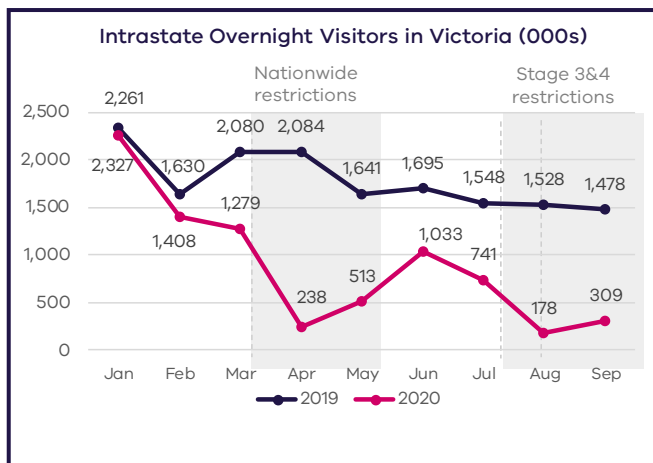


# Domestic overnight visitors – interstate and intrastate

## Intrastate overnight visitors

Following the easing of the national restrictions there was a softening decline in intrastate overnight visitors to/within Victoria in May and June. The Stage 3 and 4 restrictions that began in Victoria in July saw a return to a level of decline in August (-88%) that was experienced in April (-89%).

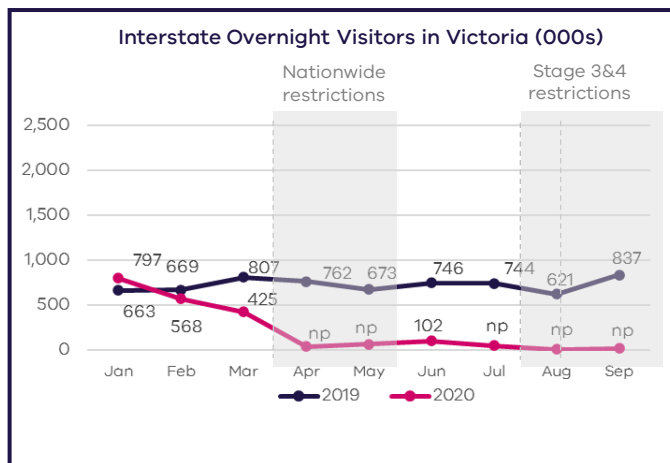
Intrastate overnight visitors in Victoria fell sharply during the national restrictions in April (-89%, or down 1.8 million, compared to April 2019, the largest monthly volume decline to date). The decline softened slightly in May (-69%, compared to May 2019) and June (-39%, compared to June 2019), in line with easing restrictions, before falling again during the Stage 3 and 4 restrictions in Victoria in July (-52%, compared to July 2019), with a deeper decline in August (-88%, or down 1.4 million, the second largest monthly volume decline). The decline softened slightly in September (-79%, or down 1.2 million, compared to September 2019) due to easing restrictions in regional Victoria from mid-September that allowed travel within regional Victoria.



## Interstate overnight visitors

Since the national restrictions that began in March and went into early May, and with many closed State borders remaining in place, the number of interstate visitors to Victoria has seen sustained declines of at least 90 per cent since April.

Interstate overnight visitors to Victoria fell sharply during the national restrictions in April (-95%, the second largest volume decline to date when compared to April 2019). Over the following months, the estimated declines remained at or above 90 per cent, with the exception of June (-86%, compared to June 2019), reflecting the end of the national restrictions in May. However, with many State borders remaining closed, the deepest declines occurred in August (-99%, compared to August 2019) and September (-98%, or down 821,000 (the largest volume decline) compared to September 2019), when Stage 3 and 4 restrictions were in place for Victoria.

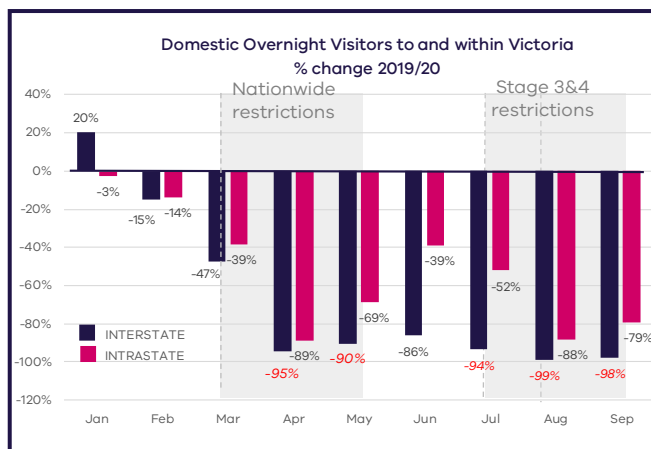


## Domestic overnight visitors – to and within Victoria

### Interstate and intrastate visitors to and within Victoria

The declines that began with the nationwide restrictions in March were deeper for interstate overnight visitors than intrastate overnight visitors.

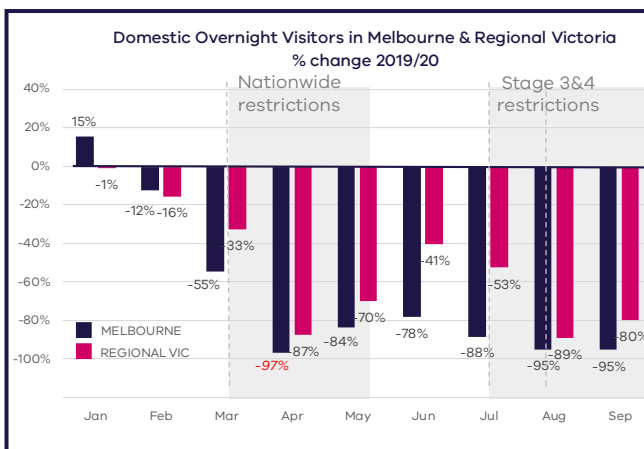
Interstate visitor declines were higher than intrastate, with some rebound in intrastate evident as restrictions eased in May/June. Deeper declines in July, August and September occurred following the second wave and Stage 4 restrictions. Interstate visitors remained in deep decline through September as borders remained shut.



### Domestic overnight visitors to and within Melbourne and regional Vic

Declines each month were similar for interstate visitors to Victoria and visitors to Melbourne, and for intrastate visitors within Victoria and visitors to regional Victoria, reflecting the share of visitors to each destination.

Declines in August 2020 (compared to August 2019) and September 2020 (compared to September 2019) for both Melbourne and regional Victoria returned to similar levels experienced in April 2020 (compared to April 2019), when national restrictions were in place for the first wave. A softening decline for regional Victoria is evident in September, due to easing restrictions that allowed travel within regional Victoria.



### Travel to regional Victoria following mid-September opening

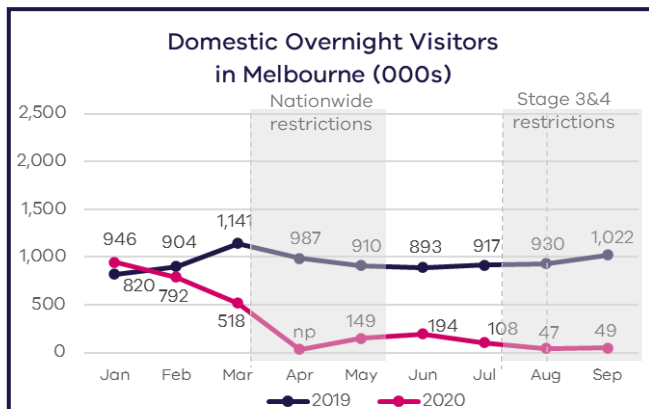
In September 2020 a greater share of overnight trips involved a regional stay than a stay in Melbourne due to the tighter restrictions placed on metropolitan areas to slow the spread of coronavirus (COVID-19).

While 59 per cent of trips in Victoria included nights

spent outside the Melbourne tourism region in September 2019, this increased to 85 per cent in September 2020. The share of spend in regional areas also increased from 36 per cent in September 2019 to 81 per cent in September 2020 (albeit from a small volume).

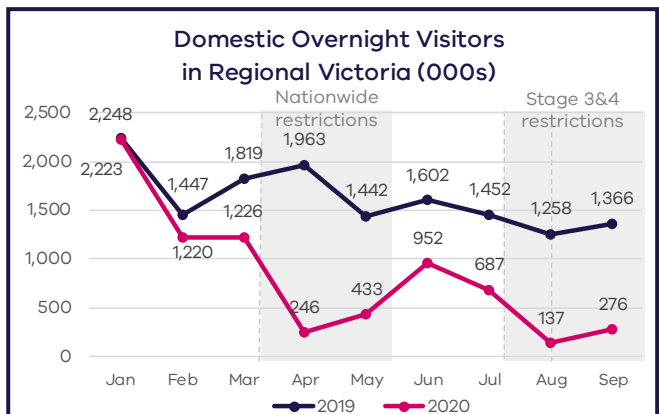
# Domestic overnight visitors – Melbourne and regional Victoria

## Domestic visitors to Melbourne

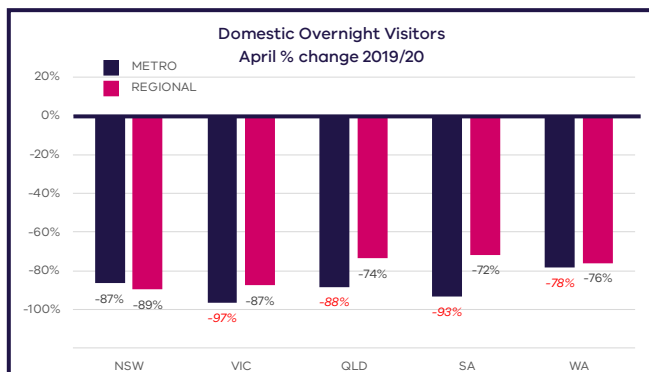


Melbourne suffered a dramatic loss in visitors (-95% or down 973,000) in September 2020 compared to September 2019. This has been the largest volume loss for Melbourne to date and reflects the second wave of cases that resulted in Stage 4 restrictions. This was similar to the decline in April 2020 (-97%), during the national restrictions.

## Domestic visitors to regional Vic

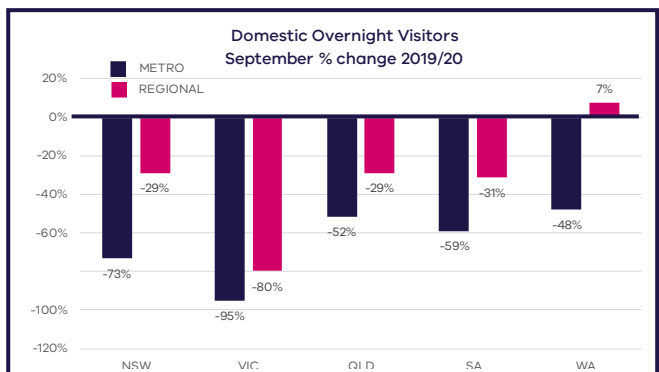


Regional Victoria was down 89 per cent in overnight visitors (or down 1.12 million visitors) in August 2020 (compared to August 2019) and down a slightly softer 80 per cent (or down 1.09 million visitors) in September 2020 (compared to September 2019). This reflects the Stage 3 restrictions across regional Victoria.



During the national restrictions in **April 2020**, the deepest decline compared to April 2019 of all the country's major metro areas was seen in Melbourne (-97%, or down 954,000), followed by Adelaide (-93%, or down 322,000).

For regional Australia the deepest declines were in regional NSW (-89%, or down 2.5 million), closely followed by regional Victoria (-87%, or down 1.7 million).



During the Stage 3 and 4 restrictions in Victoria in September 2020, the deepest decline compared to September 2019 of all metro areas was for Melbourne (-95%, or down 973,000), followed by Sydney (-73%, or down 855,000).

For regional Australia the deepest declines were in regional Victoria (-80%, or down 1.1 million), compared to the following declines for regional SA (-31%, or down 157,000), regional NSW (-29%, or down 648,000) and regional Queensland (-29%, or down 401,000).

During this time there were border restrictions by almost all states and territories, also influencing declines in metro visitation.

In comparing the April and September declines, it is positive to see that the eased restrictions and lower (or no) community transmission for the other states resulted in softer declines when compared to 2019, compared to what Victoria was experiencing during its Stage 3 and 4 restrictions.

Source: Tourism Research Australia, NVS monthly estimates for September 2020 as part of its provision of additional data to help monitor the impacts of Australia's summer bushfires and coronavirus (COVID-19) on tourism. Note figures in red italics had low samples and therefore must be interpreted with caution. Charts produced by Tourism, Events and Visitor Economy Research Unit.

## Domestic visitors – changes by purpose of visit

### Overnight visitors by purpose

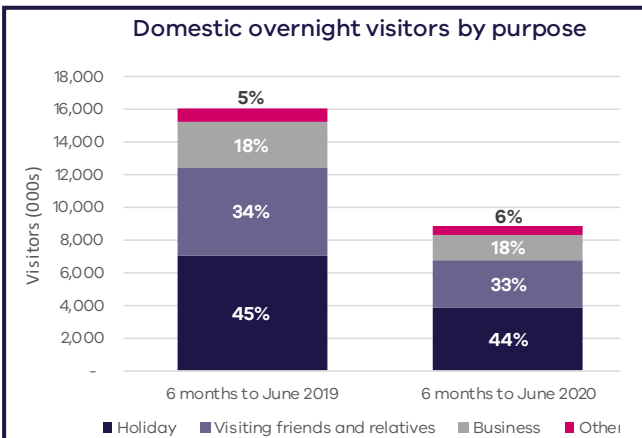
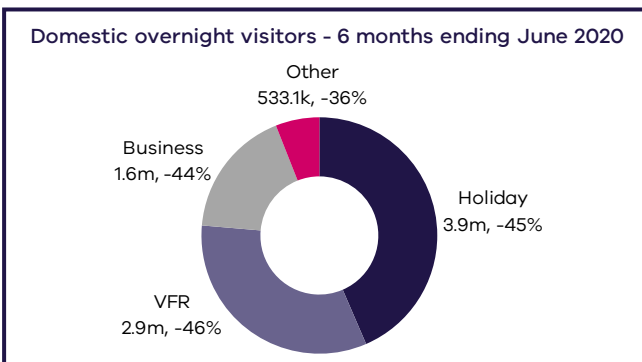
These figures are for the six months ending June 2020, the latest domestic visitor metrics available by purpose.

In the six months ending June 2020 compared to six months ending June 2019, there were substantial declines for domestic overnight and daytrip visitors across all purposes of visit, in all States and Territories.

Despite easing of restrictions in May, borders did not reopen, and Melbourne experienced the early stages of a second lockdown in June.

- Holiday overnight visitors to/within Victoria declined by 45 per cent, softer than for Queensland (-54%) and NSW (-52%) and the national average (-48%).
- Visiting Friends and/or Relatives (VFR) visitors to/within Victoria declined by 46 per cent, deeper than to Queensland (-41%) and NSW (-40%) and the national average (-40%).
- Business overnight visitors to/within Victoria declined by 44 per cent, deeper than to NSW (-40%) and Queensland and the national average (both down 39%).

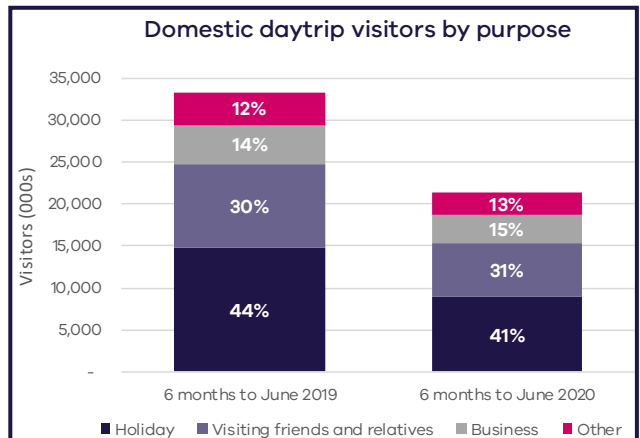
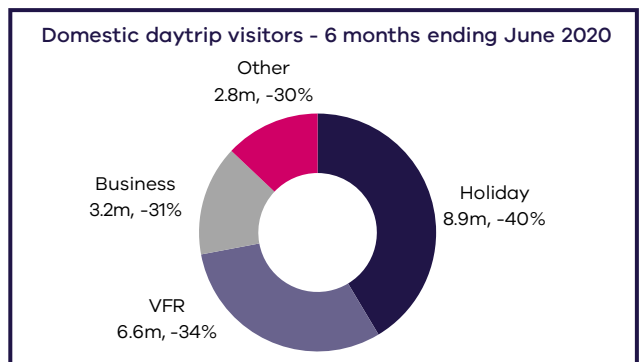
The shares of each purpose remained relatively constant from the six months ending June 2019 to 2020.



### Daytrip visitors by purpose

- Holiday daytrip visitors to/within Victoria declined by 40 per cent, in line with NSW (-40%) and slightly deeper than for Queensland (-36%) and the national average (-38%).
- VFR daytrip visitors to/within Victoria declined by 34 per cent, similar to Queensland (-35%) and deeper than for NSW (-30%) and the national average (-33%).
- Business overnight visitors to/within Victoria declined by 31 per cent, deeper than in Queensland (26%), and similar to the rates of decline in NSW and the national decline (both down 30%).

The shares of each purpose for domestic daytrip visitors remained relatively constant from the six months ending June 2019 to six month ending June 2020, with the deepest decline in share being for holiday visitors, (44% to 41%), and each of the other segments gaining one percentage point. The decline was influenced by declines in holiday daytrip visitors to/within regional Victoria (50% to 47%) and Melbourne (34% to 31%).



## Domestic visitors likely to attend an event

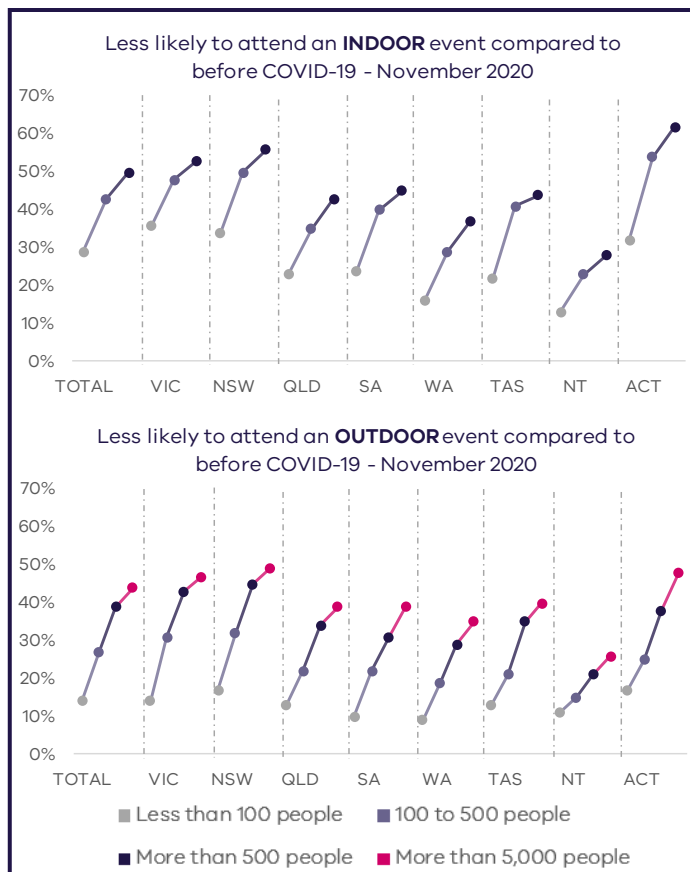
### Likelihood to attend indoor and outdoor events in next three months

In July and November, additional questions were asked of domestic overnight visitors<sup>1</sup> to gauge general interest in attending events with no restrictions in place, over the next three months, compared to before the coronavirus (COVID-19) outbreak. The latest responses taken in November highlight that sizeable proportions remain less likely to attend the various event types compared to before coronavirus (COVID-19), although they are lower for all types of events when compared to the July responses. As event sizes increase the proportion less likely to attend also increases for both **indoor** and **outdoor events**. Results are more favourable for **outdoor events** (that is, when comparing events of the same size to indoor events), reflecting the pattern in July.

- **Indoor events** were on average less appealing than before coronavirus (COVID-19) than **outdoor events**, 46 per cent versus 34 per cent among Victorian respondents (compared to 52% versus 44% in July).
- With **outdoor events**, the November responses indicate that 14 per cent of Victorians were less likely to attend if **less than 100 people** compared to 47 per cent with **more than 5,000 people**.
- For those that stated they were more likely to attend an event or had the same level of intention, most were looking to **home state events** rather than interstate events. Respondents in July in all states were more likely to attend an event in their home state than respondents in November. For example, in November, 69 per cent of Victorians and 74 per cent nationally (compared to 78% of Victorians and 82% nationally in July). The positive shift in the recent results was towards attending an event in both home state and interstate, suggesting an increased confidence in interstate travel, increases in capacity and events recommencing in some states.

Key points from the November responses highlight:

- Victorians were, on average, less likely to want to attend **indoor events** than before coronavirus (COVID-19) (46%) compared to respondents in all states except NSW (47%) and the Australian Capital Territory (ACT) (49%).
- Victorians were, on average, less likely to want to attend **outdoor events** than before coronavirus (COVID-19) (34%) compared to respondents in all states except NSW (36%).
- The level of concern increases with the size of **indoor events**, with:
  - 36 per cent of Victorians were less likely to attend an **indoor event with less than 100 people**, compared to before coronavirus (COVID-19)
  - 48 per cent less likely to attend an **indoor event with 100 to 500 people**
  - 53 per cent less likely to attend an **indoor event with more than 500 people**.



<sup>1</sup>The events questions were added to the National Visitor Survey between 8 to 21 July and 1 to 17 November 2020 to gauge interest/intentions on attending a range of event types to assess the impacts from coronavirus (COVID-19) and supplied by Tourism Research Australia. Charts produced by Tourism, Events and Visitor Economy Research Unit



## Domestic visitors likely to attend an event (continued)

Results are more favourable for outdoor events (that is, when comparing events of the same size to indoor events) and those that stated they were more likely to attend an event or had the same level of intention were most were looking to home state events rather than interstate events.

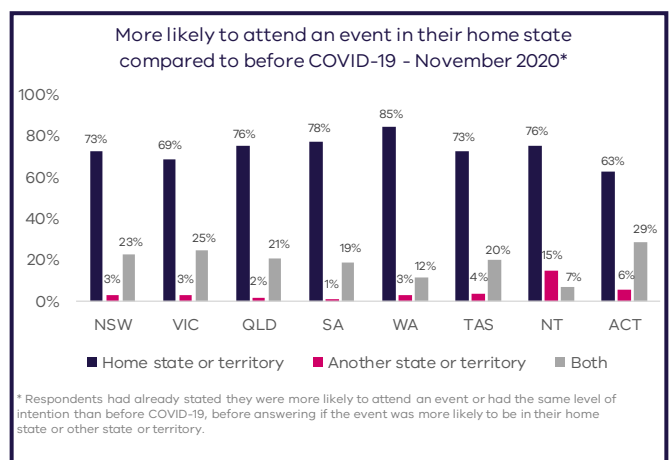
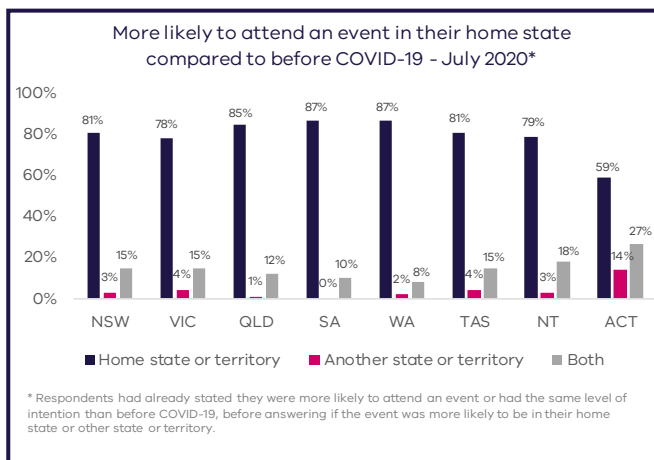
The level of concern increases with the size of **outdoor event**, although with lower percentages for people than for indoor events, with:

- 14 per cent of Victorian respondents less likely to attend an **outdoor event with less than 100 people**, compared to before coronavirus (COVID-19).
- 31 per cent less likely to attend an **outdoor event with 100 to 500 people**

- 43 per cent less likely to attend an **outdoor event with more than 500 people** (this is not mutually exclusive from the following category)
- 47 per cent less likely to attend an **outdoor event with more than 5,000 people**.

Most (69%) of the November responses by Victorians who were more likely to attend an event or had the same intention, were looking to Victorian events rather than interstate events. This is the lowest of all states (except the ACT at 63%):

- with 73 per cent of NSW residents likely to attend an event in NSW
- with 76 per cent of Queensland residents likely to attend an event in Queensland
- with 78 per cent of SA residents likely to attend an event in SA
- with 85 per cent of WA residents likely to attend an event in WA.



Note: questions asked were:

1. Think about organised events such as indoor or outdoor sports, music or cultural events etc. If no restrictions are in place, how likely would you be to attend the following events over the next 3 months, compared to before the Coronavirus outbreak? For each of these events can you please tell whether you would be less likely to attend than before, about the same as before, or more likely to attend than before the outbreak.
2. And for the events that you've just said you would be more or just as likely to attend, would you be likely to attend those events in your home state or territory, or another state or territory?

<sup>1</sup>The events questions were added to the National Visitor Survey between 8 to 21 July and 1 to 17 November 2020 to gauge interest/intentions on attending a range of event types to assess the impacts from coronavirus (COVID-19) and supplied by Tourism Research Australia. Charts produced by Tourism, Events and Visitor Economy Research Unit.

# International overnight visitors



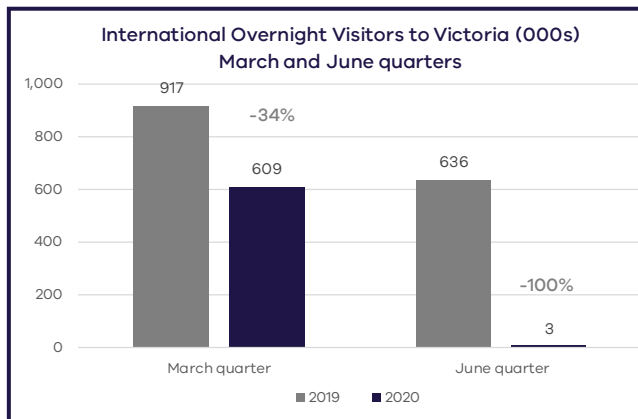
## International overnight visitors in 2020

Victoria recorded a significant loss in international overnight spend of \$2.1 billion for the period January to June 2020, compared to the same period in 2019.

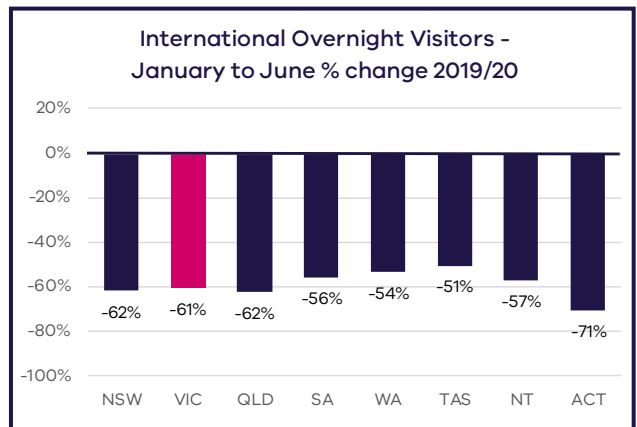
The international travel restrictions that were progressively implemented from February 2020, effectively grounded international arrivals to a halt.

The chart below highlights that there was a substantial decline in international overnight visitors to Victoria in the March quarter 2020 compared to March quarter 2019 (-34%, or down 308,000 visitors).

With the closing of the Australian borders on 20 March to all non-residents, the decline in the June quarter 2020 compared to June quarter 2019 was almost 100 per cent (-99.6%, or down 634,000 visitors).

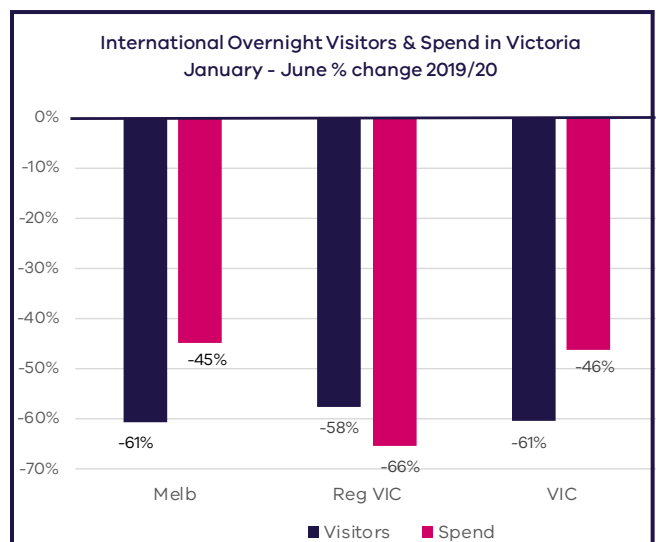


There were 612,000 international overnight visitors to Victoria in the six months ending June 2020 (-61%, or down 942,000 visitors compared to the six months ending June 2019). Similar falls were experienced for NSW (-62%, or down 1.3 million visitors) and Queensland (-62%, or down 806,000 visitors) and nationally (-60%, or down 2.5 million).



In the six months ending June 2020, international overnight spend in Victoria was \$2.4 billion. When compared to the six months to June 2019, this is a 46 per cent decline in spend, or a loss of \$2.1 billion. This was less than the rate of decline in NSW (-57%, or down \$3.4 billion), Queensland (-53%, or down \$1.5 billion) and nationally (-53%, or down \$12.0 billion).

The chart below shows that declines for the six months ending June 2020 compared to the same period in 2019 were similar for visitors and their spend in Victoria and Melbourne. This reflects the much larger proportion of international visitors to Melbourne (94%) compared to regional Victoria (21%). Note that some international visitors visit both Melbourne and regional Victoria.

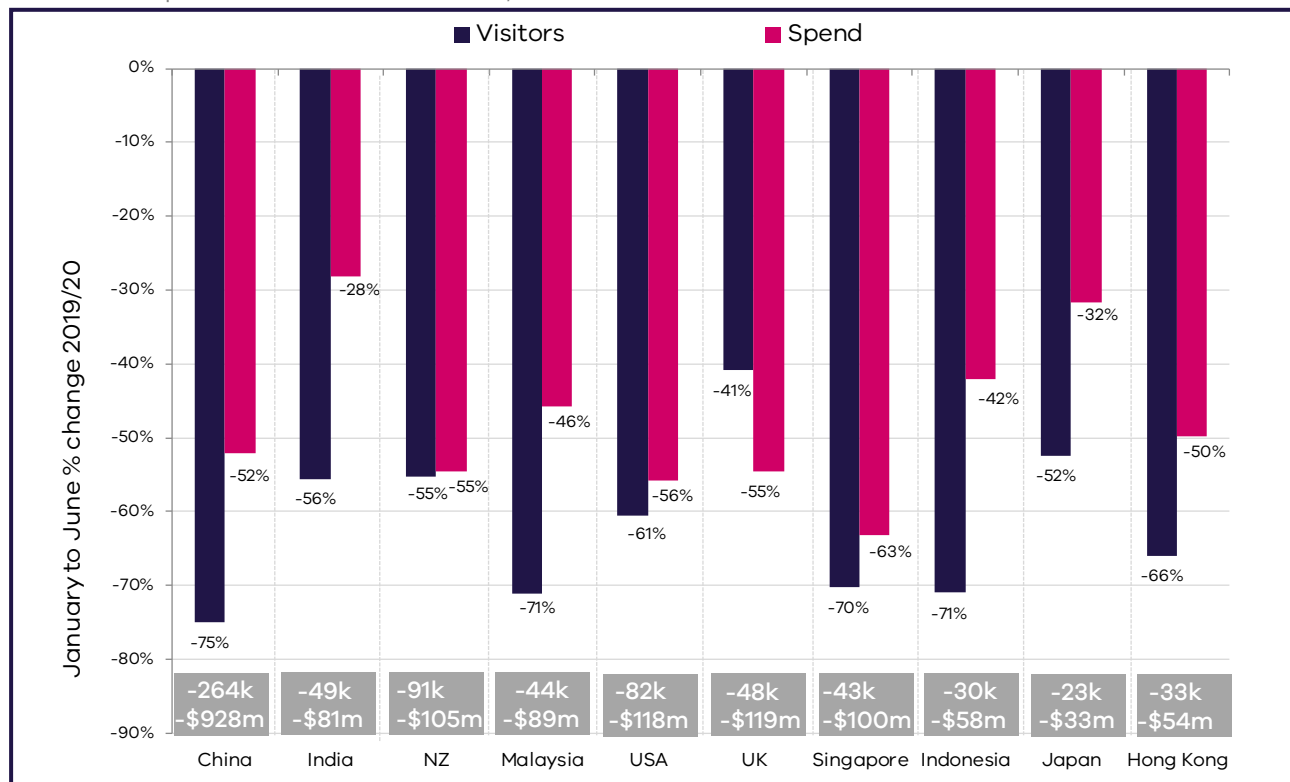


## International overnight visitors – source markets

### Top 10 markets for Victoria\*

Heavy falls were noted from all of Victoria's top 10 markets in the six months to June 2020 compared to the same period in 2019, impacted by coronavirus (COVID-19) travel restrictions. The deepest decline in visitors was noted from Victoria's most valuable international market China, which experienced a decline of 75 per cent in visitors (down 264,000

visitors). This resulted in a loss of an estimated \$928 million in the six months to June 2020 compared to the same period in 2019. The next largest falls in volume of visitors were from NZ (-55%, or down 91,000) and the United States of America (USA) (-61%, or down 82,000).

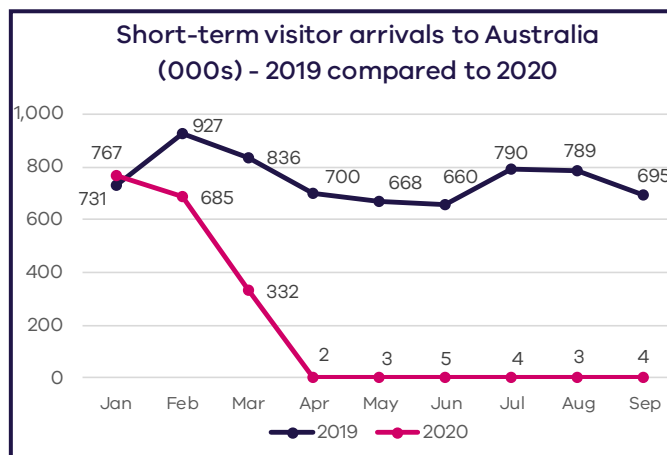


### Short-term arrivals in 2020

In the month of September 2020, there were 3,720 short-term visitors arriving in Australia, representing a 99.5 per cent decline compared to the same month a year ago.

Decreases in visitor arrivals of over 99 per cent were noted across all states and territories compared to the corresponding month of the previous year, with the exception of the NT (-96.8 per cent).

Visitors arriving in Victoria for a short-term trip (less than 1 year) in September 2020 declined by 99.8 per cent compared to the same month in 2019 (recording only 330 short-term visitor arrivals in the month).



\* Top 10 spend markets as at year ending June 2020. Sources: International Visitor Survey, year ending June 2020, produced by Tourism Research Australia, October 2020. Overseas Arrivals and Departures, Australian Bureau of Statistics, September 2020, released November 2020. Figures and charts produced by Tourism, Events and Visitor Economy Research Unit.

## International overnight visitors – source markets (continued)

### Short-term arrivals in September

In September 2020 there were decreases of 99 to 100 per cent for each of the main source markets into Australia compared to the same month in 2019.

The largest volume declines in visitors from the month of September 2019 to September 2020 were from:

- NZ, down 126,640 visitors to Australia
- China, down 98,790
- USA, down 47,770 (and the largest source market in September 2020 with 610 visitors, or 16% of arrivals)
- UK, down 40,870 (and the second largest source market in September 2020 with 430 visitors)
- Japan, down 40,670.

### International student arrivals

In September 2020 there were just over 80 arrivals to Australia travelling on an international student visa. This was a decrease of 45,220 students (-99.8 per cent) compared to the corresponding month of the previous year.

In September 2020 there were nearly 20 arrivals to Victoria travelling on an international student visa. This was a decrease of 10,590 students (-99.9 per cent) compared to the corresponding month of the previous year.



\*Top 10 spend markets to Victoria as at year ending June 2020. Source: Overseas Arrivals and Departures, Australian Bureau of Statistics, September 2020., released November 2020  
Figures and chart produced by Tourism, Events and Visitor Economy Research Unit.

# International overnight visitors – Melbourne and regional Vic

## Metro: international Overnight visitors

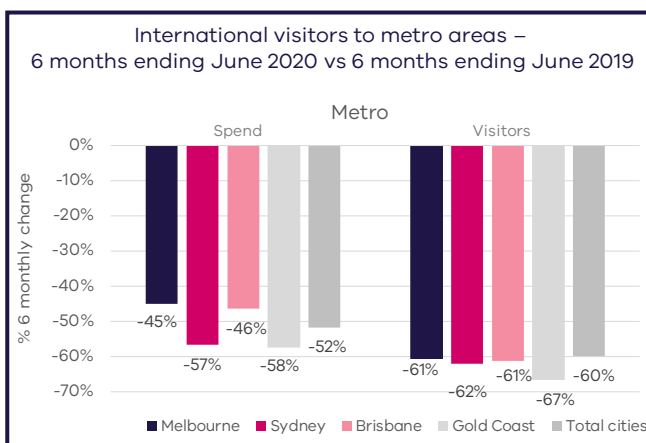


**Deep declines in both spend and visitors noted across major metro areas in Australia in the six months ending June 2020.**

International visitors and spend declined sharply across all Australian major cities in the six months ending June 2020 compared to the same period in 2019.

International overnight visitors to Melbourne declined by 61 per cent in the six months ending June 2020 resulting in a reduction in visitors of 888,600 compared to the same period in 2019. Visitor spend in Melbourne declined by 45 per cent in the six months ending June 2020 compared to the same period in 2019, resulting in a significant loss in spend of \$1.9 billion.

The deepest declines for spend and visitors was in the Gold Coast (down 58% and 67% respectively), followed by Sydney with spend (-57%) and visitors (-62%) both in deep decline. Sydney recorded the biggest fall in international overnight spend volume (down \$3.1 billion) and overnight visitors (down 1.3 million) in the period.



## Regional: international overnight visitors

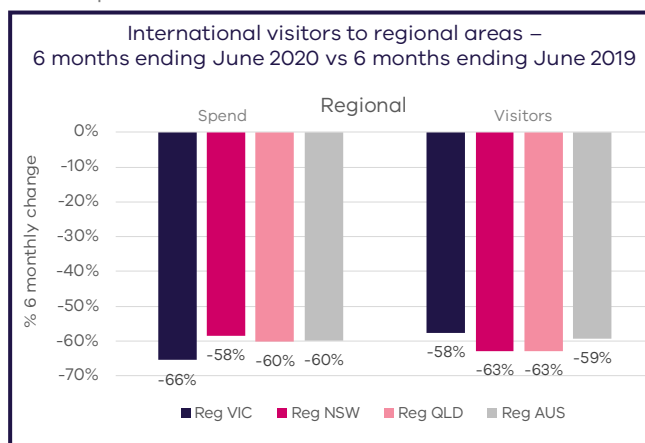


**As with metro areas in Australia, declines in both spend and visitors were also noted across major regional areas in Australia over this period.**

International overnight visitors to regional Victoria declined by 58 per cent, resulting in a loss of an estimated 178,300 visitors in the period. International overnight visitors fell sharply for both regional NSW and regional Queensland in the six months ending June 2020 compared to the same period in 2019 (both down 63%), with regional Australia overall down 59 per cent.

Over this period Western Hemisphere\* markets suffered the largest volume decline in visitors to regional Victoria (-50%, or down 88,100 visitors) to 88,600 visitors. Visitors from Eastern Hemisphere\* markets also declined substantially (-71%, or down 84,500 visitors) to 32,300 visitors. Visitors to regional Victoria on a Working Holiday Maker visa also fell significantly in the six months ending June 2020 compared to the same period in 2019 (-59%, or down 12,900 to 9,100 visitors).

In the six months ending June 2020, visitor spend declined heavily across regional Australia compared to the same period in 2019. The deepest decline in international overnight regional spend was noted in regional Victoria (-66%, or down \$212 million), while spend in regional Australia overall and regional Queensland declined by 60 per cent, with regional NSW down 58 per cent.



\* - Western Hemisphere markets = Canada, France, Germany, Italy, Netherlands, NZ, Scandinavia, Switzerland, UK, USA; and Other Europe; Eastern Hemisphere markets = China, Hong Kong, India, Indonesia, Japan, Korea, Malaysia, Singapore, Taiwan, Thailand and Other Asia.  
Source: International Visitor Survey, year ending June 2020, produced by Tourism Research Australia, October 2020.  
Figures and charts produced by Tourism, Events and Visitor Economy Research Unit.

# International visitors – changes by purpose of visit

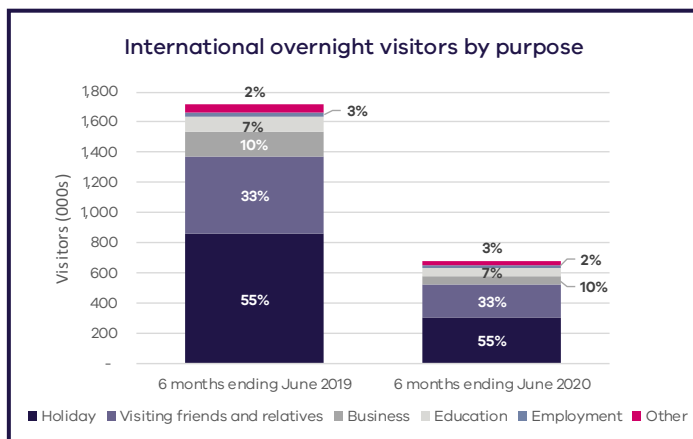
## International visitors by Purpose

In the six months ending June 2020 compared to six months ending June 2019, there were deep dives for international overnight visitors across all purpose of visits, in all States and Territories, reflecting the Australian border closure to all non-residents by the end of March.

- Holiday visitors to Victoria declined by 64 per cent, similar to Queensland and NSW (-65% for both) and the national rate of decline (-63%).
- VFR visitors to Victoria declined by 58 per cent, the same as for NSW (-58%) and similar to Queensland (-60%) and the national rate of decline (-57%).
- Education visitors to Victoria declined by 42 per cent, softer than for NSW (-53%) and the national average (-47%), and similar to the rate of decline in Queensland (-43%).
- Business visitors to Victoria declined by 68 per cent, in line with Queensland (-68%) and the national decline (-68%), and similar to the rate of decline in NSW (-69%).
- Employment visitors to Victoria declined by 40 per cent, a softer decline than for NSW (-48%), Queensland (-46%) and the national decline (-49%).



The shares of each purpose remained constant from the six months ending June 2019 to 2020.



NOTE: In the above chart the proportion of visitors will not add up to 100 per cent as visitors can travel to more than one destination in one trip, with more than one purpose.



# Victoria's accommodation sector

## Key accommodation indicators for 2019-2020



**\$2.2b**  
**Total revenue**  
▼ -20%



**\$114.4 RevPAR**  
**Revenue per available room**  
▼ -21%



**12.5 million**  
**Room nights occupied**  
▼ -18%

Victoria's accommodation sector has been severely impacted by coronavirus (COVID-19). Key indicators for Victoria include:

- Total accommodation revenue in Victoria in 2019-20 was \$2.2 billion, representing a significant decline of 20.3 per cent compared to last financial year, while room nights occupied decreased by 17.7 per cent to 12.5 million.
- Overall, occupancy rates in Victoria in 2019-20 were 64.1 per cent suffering a deep decline of 18.3 percentage points compared to 2018-19.
- In Melbourne, total accommodation revenue declined by 20.5 per cent year-on-year to \$1.5 billion in 2019-20. Room nights occupied also declined significantly by 17.6 per cent to 8.4 million, with overall occupancy rates down 19.1 percentage points to 65.9 per cent.

The severe negative impact of coronavirus (COVID-19) on monthly accommodation indicators is noted below and show that occupancy rates in Victoria took a sharp dive from March 2020.

Overall, occupancy rates in Victoria fell from 77.4 per cent in February 2020 to a low of 26.5 per cent in April, then lifted slightly to 33.1 per cent in June pre Stage 4 restrictions.

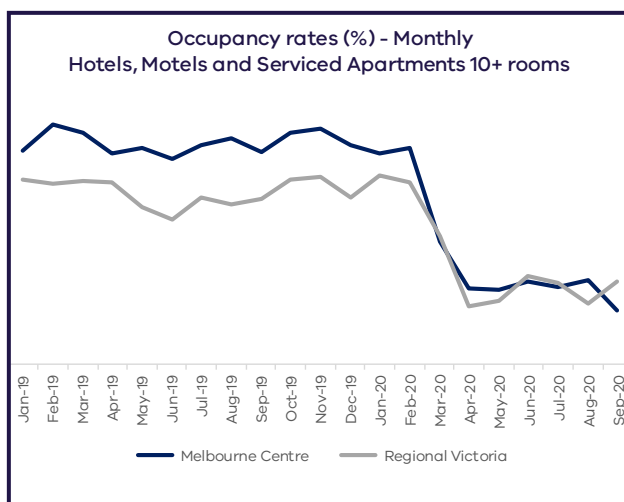
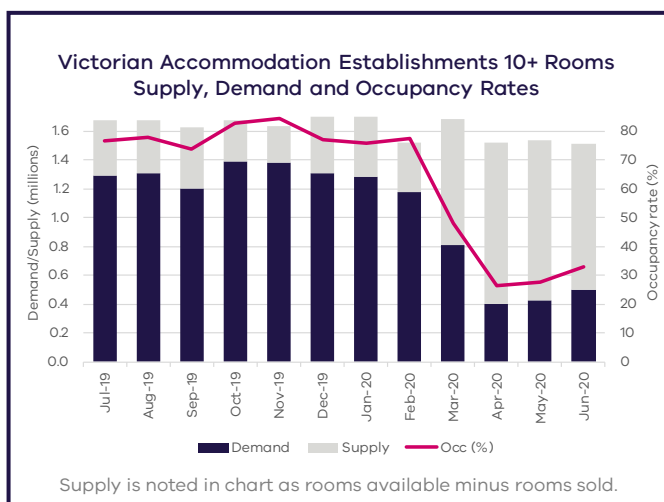
As occupancy rates have fallen, supply (rooms available) has greatly outweighed demand (room nights occupied) in Victoria.

Occupancy rates hit a low in April/May 2020 as movement restrictions were applied to help stop the spread of the virus.

Serviced apartments suffered the deepest decrease in occupancy rates, falling to a low of 19.5 per cent in April 2020 with motels/private hotels/guesthouses at a low of 29.7 per cent in the same month. Hotels and resorts declined to a low of 29.0 per cent in May 2020.

Occupancy rates started to lift in May/June as some travel was reactivated in the period.

Regional Victoria recorded a lift in occupancy rates in September as travel restrictions were eased ahead of Melbourne.



## The state of the industry

### National Tourism Satellite Account 2019-20

Recent results for the 2019-20 financial year show the initial impacts of coronavirus (COVID-19), as well as the preceding bushfires, on tourism in Australia, noting it includes strong growth in 2019:

- **Total tourism consumption** fell by 19 per cent or down by \$29.5 billion.
- **Direct tourism Gross Domestic Product (GDP\*)** was \$50.4 billion, down 18 per cent or down \$10.8 billion compared to 2018-19.
- **Total tourism GDP** as a share of the national economy fell from 3.1 per cent in 2018-19 to 2.5 per cent in 2019-20. This ratio had been relatively stable over the time series back to 2004-05, dipping over the Global Financial Crisis (GFC) period down to 2.7 per cent in 2010-11 before slowly recovering to at least 3.0 per cent from 2015-16. The chart below shows the depth and speed of the fall as a result of coronavirus (COVID-19) compared to the GFC.



- **Direct tourism employment** was 621,000 people. This was 4.8 per cent of the Australian workforce, down from 5.2 per cent in 2018-19 and the lowest since 2013-14.
- **Full-time employment** fell 4.9 per cent to 331,700 and part-time fell 8.5 per cent to 289,200 employed persons.
- **Tourism exports** (from international visitors spending money on Australian goods and services) fell to \$31.2 billion, down 21 per cent from 2018-19.
- **Tourism imports** (the money Australian residents spend when travelling overseas) fell to \$42.1 billion, down 27.8 per cent from 2018-19.

### Labour market to October 2020



Of all the States, Victoria has experienced the deepest declines in **employment and hours worked** in 2020.

Most states experienced a gradual improvement after re-opening and suggests this could also be the trajectory for Victoria.

All States have recovered to approximately pre-coronavirus (COVID-19) **participation rates**, with the exception of Victoria which was impacted by the Stage 4 restrictions. Victoria has shown improvement in October.

Melbourne's CBD lost the most **payroll jobs** between 14 March and 31 October. Regional Victoria also experienced significant job losses despite having fewer coronavirus (COVID-19) cases and looser restrictions. The north west and south east of Victoria have experienced significant reductions in payroll jobs.

Coming out of the State's nationwide restrictions in May/June, regional and metro Victoria recovered at the same fast pace. In Victoria, following the second wave of coronavirus (COVID-19), the regional and metro regions have been under different stages of restrictions and as a result of the tighter restrictions in metro Victoria, its job losses are greater than in regional Victoria. Despite loosening restrictions earlier, regional Victoria has not seen improved job outcomes. In contrast, metro Victoria has seen a more positive improvement in employment following the easing of Stage 4 restrictions at the end of October. The path out of lockdown for NSW showed regional and metro regions keeping pace with each other in recovery.

Sources: National Tourism Satellite Accounts 2019-20, Australian Bureau of Statistics, December 2020

\*GDP refers to tourism Gross Value Added plus net taxes on products that are attributable to the tourism industry.

Labour Force, Australia, Australian Bureau of Statistics, October data 2020, released November 2020.

Chart produced by Tourism, Events and Visitor Economy Research Unit.

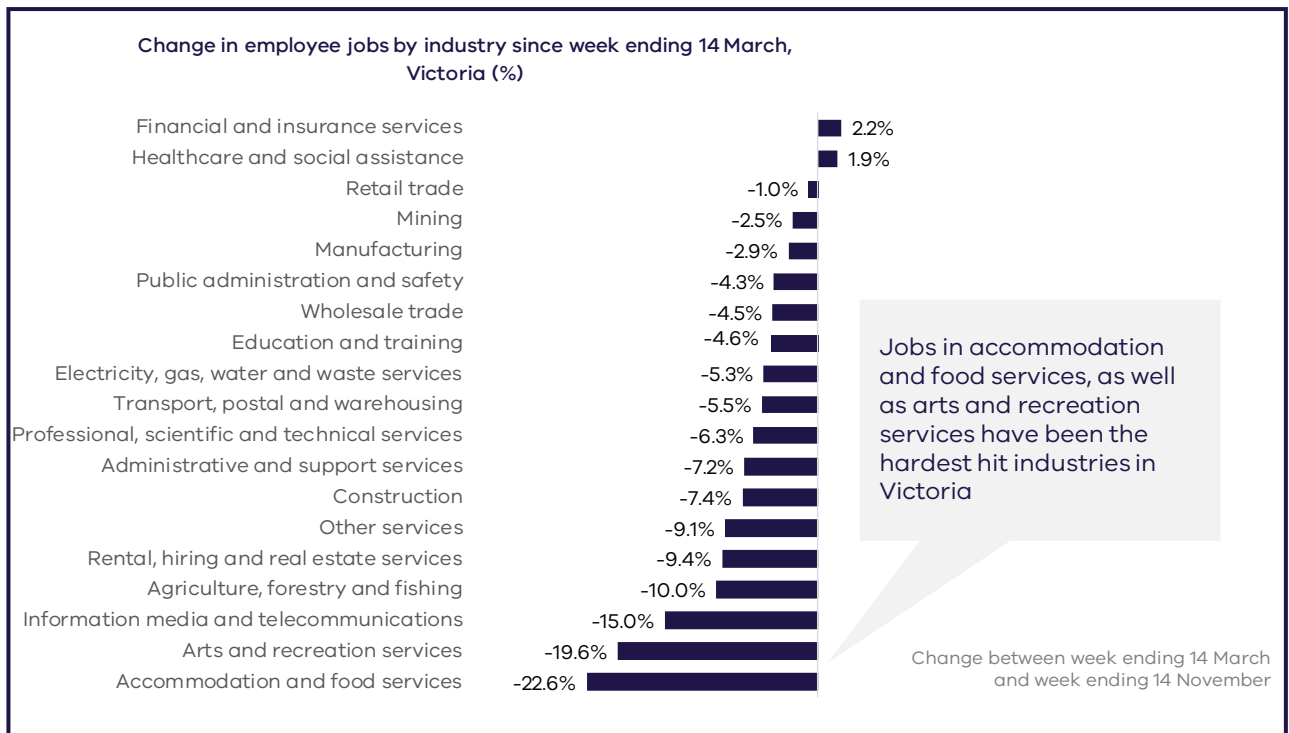
## The state of the industry (continued)

### Payroll jobs and wages to November 2020

The coronavirus (COVID-19) crisis has had the sharpest impact on jobs in tourism related industries in Victoria due to travel/movement restrictions and the drop in consumer demand, severely impacting the sector.

From the week ending 14 March to week ending 14 November 2020 Victoria had the most substantial change in **payroll jobs** of all states and territories

(-5.4%) compared to the national average decline of 2.9 per cent. Victoria had a slightly softer decline in **total wages** (-3.3%) than the national average (-3.9%), with NSW experiencing the deepest decline (-5.3%). Over this time jobs in accommodation and food services (-22.6%) as well as arts and recreation services (-19.6%) experienced the deepest declines in Victoria.



### Impacts on household – activities – October 2020

For people in Victoria, in the last four weeks participation one or more times a week was **most** common for the following selected activities:



- going shopping (69% in Victoria, compared with 80% in NSW and 81% in the rest of Australia)



- visiting a public park or recreation area (55% in Victoria compared with 41% in NSW and 40% in the rest of Australia)



- eating takeaway food (52% in Victoria compared with 44% in NSW and 47% in the rest of Australia).

Participation one or more times a week in October for people in Victoria was **least** common for:

- attending social gatherings of more than 10 people (1% in Victoria compared with 12% in NSW and 19% in the rest of Australia)
- using public transport (3%\* in Victoria compared with 16% in NSW and 10% in the rest of Australia)
- visiting bars or restaurants in person (4% in Victoria compared with 28% in NSW and 32% in the rest of Australia).

Sources: Weekly Payroll Jobs and Wages in Australia, Australian Bureau of Statistics, week ending 14 November, released December 2020. Household impacts of COVID-19 Survey, conducted 16-26 October, released November 2020. \*Proportions marked with an asterisk (\*) have a Margin of Error (MoE) >10 percentage points which should be considered when using this information. Chart produced by Tourism, Events and Visitor Economy Research Unit.

## The state of the industry (continued)

### Impacts on household – travel – October 2020

Key findings of the impact of coronavirus (COVID-19) on travel intentions for households:

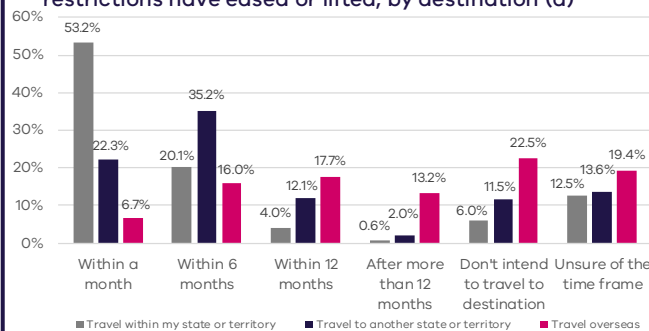
- In October, 46 per cent of Australians intended to travel for holidays between November 2020 to February 2021, 32 per cent reported they did not intend to travel, while 22 per cent were unsure.
- Forty-six per cent of Australians intended to travel for holidays between November 2020 and February 2021, compared with 77 per cent who would normally travel at this time of year.
- Australians aged 18 to 64 years reported a greater intention to travel (48%) than those aged 65 years and over (36%). Both age groups were similarly unsure if they would travel during this period (22%).
- Thirty-six per cent of Australians had no reason to travel or nowhere they wanted to go at this time.
- Other reasons for not intending to travel included COVID-19 travel restrictions (44%), concerns about the risk of COVID-19 (30%) and too much uncertainty (23%).
- For those intending to travel within a month of COVID-19 restrictions easing, most are likely to travel within their own state or territory (53% compared with 22% planning to travel to another state or territory and 7% planning to travel overseas)



The survey asked how soon Australians intended to travel after COVID-19 restrictions eased or lifted. For those who intended to travel:

- most intended to travel within their state or territory within a month (53%) or six months (20%)
- over one in three (35%) would travel to another state or territory within six months and around one in five (22%) within a month
- around one in five did not intend to travel overseas (23%) or were unsure of how long they would wait before travelling overseas (19%).

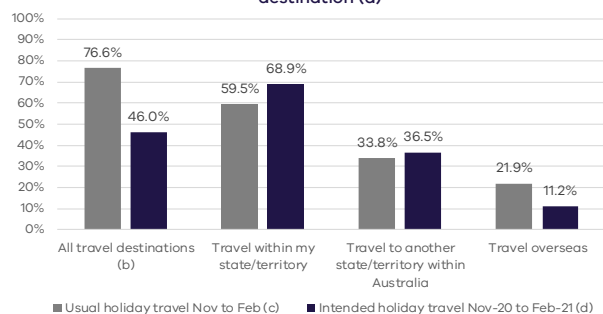
**When intend to travel for holidays after COVID-19 restrictions have eased or lifted, by destination (a)**



In both charts this includes people 18 years and over.

- (a) Refers to travel to see family and friends, for holidays or for recreation.  
 (b) Proportion of all people based on usual or intended travel plans.  
 (c) Proportion of people who usually travel only. People may have reported one or more destinations.  
 (d) Proportion of people who intended to travel during Nov-20 to Feb-21 only. People may have reported one or more destinations.

**Usual or intended travel plans from November to February, by destination (a)**



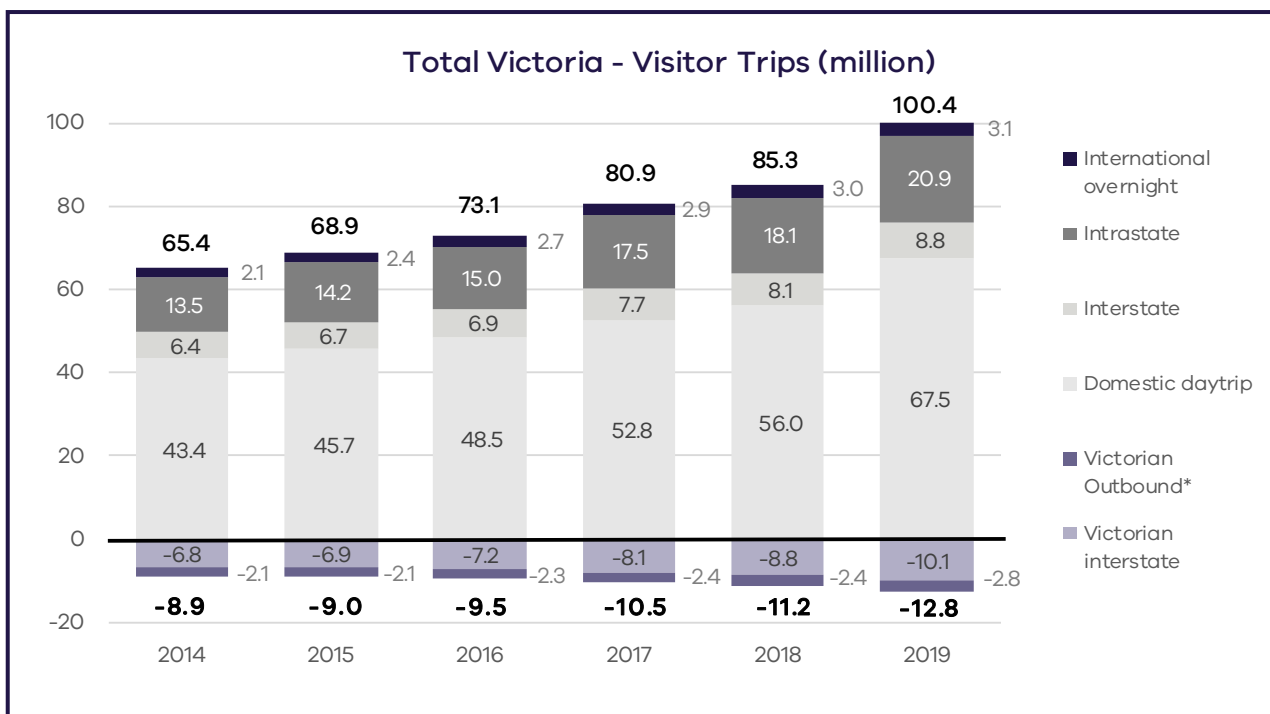
## Substitution of interstate and outbound travel

### Victorians travelling outside the state in 2019

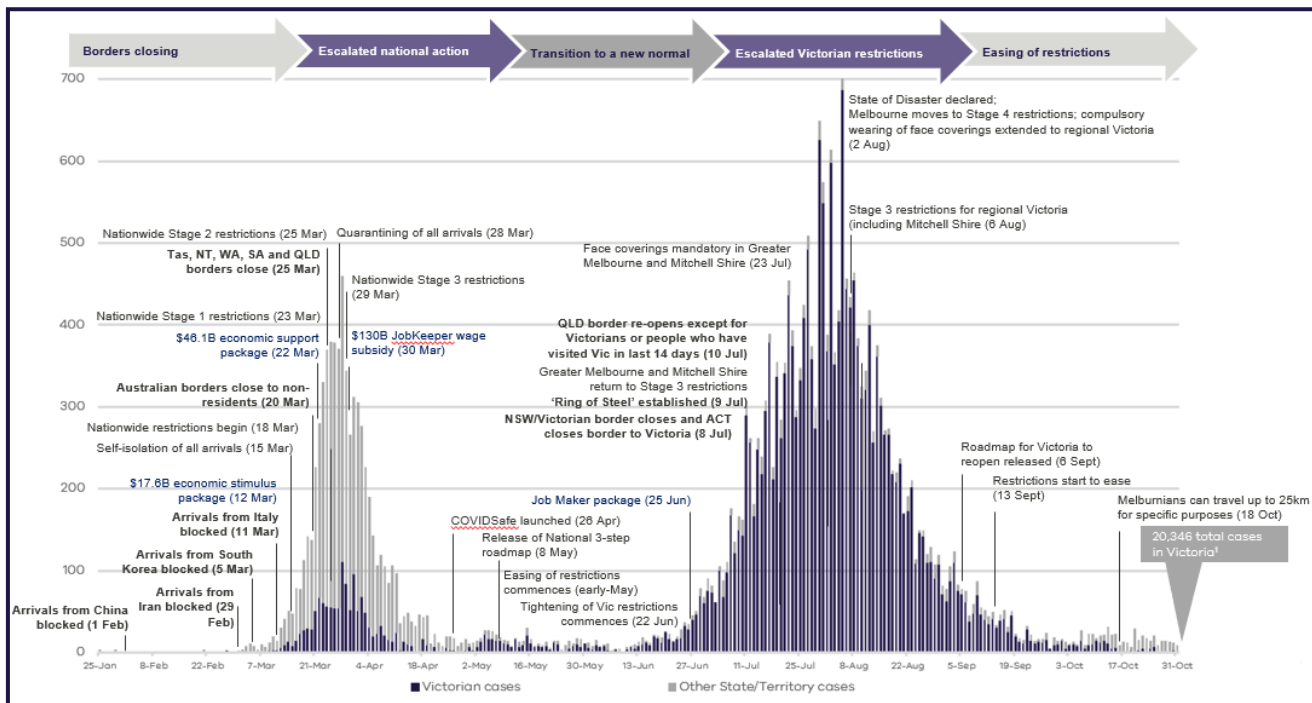
In the year ending December 2019 there were 10.1 million Victorians who travelled interstate and another 2.8 million short-term trips overseas.

Even a small conversion of some of this interstate and outbound travel could generate significant additional economic benefits to regional Victoria.

Over this period Victorians spent \$10.4 billion on interstate travel and \$17.5 billion on outbound travel, a combined \$28.0 billion.



# Coronavirus (COVID-19) cases and timeline



Glossary of terms including high level detail and key timing of restrictions:

- International border closures** began on 1 February when foreign nationals from mainland Chinese were prevented from entering Australia. On 20 March the Australian borders were closed to all non-residents.
- National restrictions** began from 18 March, when Australians were advised they should stay at home, unless shopping for essentials, travelling to and from work. After this, specific restrictions were applied in individual States and Territories. Easing of national restrictions began in early May.
- Domestic border closures** began with Tasmania, NT, WA, SA and Queensland closing their borders on 25 March. On 8 July the NSW/Victorian border was closed and ACT closed its border to Victoria. There were some changes over this period however overall most state borders have remained closed to Victorians until November 2020.
- 'Ring of Steel'** was established from 9 July that included checkpoints to prevent travel between Melbourne (where there was high community transmission) and regional Victoria. It was removed on 9 November.
- Stage 3 restrictions** were in place in Greater Melbourne and Mitchell Shire from 9 July and from 6 August for regional Victoria (which included Mitchell Shire). From September 17, there were no longer restrictions on leaving the home for regional Victorians.
- Stage 4 restrictions** were in place in Melbourne from 6pm 2 August, when a State of Disaster was declared. During this time the only reasons to leave home were for necessary goods or services, medical care or compassionate reasons, exercise (up to one hour), work (if unable to work from home) and education if necessary. For the majority of this time, Melburnians could only travel within a 5km radius. There was also a curfew from 8pm to 5am and face masks were to be worn. These restrictions remained at this level until September 13, after which they started to ease. Travel from Melbourne to regional Victoria was not allowed (unless for a permitted reason).
- Easing of restrictions** continued, and from 18 October, Melbourne moved from 'stay home' to 'stay safe', with no more restrictions on the reasons to leave home. This included allowing travel within a 25km radius, small outdoor gatherings and no limit on outdoor exercise. Restaurants, hotels, cafes and bars opened, with limits on the maximum number of patrons allowed. From 9 November the restrictions on travel were further eased with the removal of the 25 km radius limit.

Note that the definition of Melbourne for these restrictions, is broader than the Melbourne tourism definition, extending out to include Mornington Peninsula and the majority of the Yarra Valley and Dandenong Ranges.



## List of resources

Survey	Source	Data used	Latest release
1. National Visitor Survey	Tourism Research Australia	June quarter data released October 2020	December quarter data released 31 March 2021

<https://www.tra.gov.au/Domestic/domestic-tourism-results>

<https://www.business.vic.gov.au/tourism-industry-resources/research/domestic-and-regional-research>

2. National Visitor Survey	Tourism Research Australia	September monthly data released 11 December 2020	December monthly data to be released 12 March 2021
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<https://www.tra.gov.au/domestic/monthly-snapshot/monthly-snapshot>

3. National Visitor Survey	Tourism Research Australia	Events questions July and November 2020	N/A
4. International Visitor Survey	Tourism Research Australia	June quarter data released October 2020	December quarter data released 31 March 2021

<https://www.tra.gov.au/Research/International-visitors-to-Australia/international-visitor-survey-results>

<https://www.business.vic.gov.au/tourism-industry-resources/research/international-research>

5. Overseas Arrivals and Departures	Australian Bureau of Statistics	September 2020	January monthly data released on 16 March 2021
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<https://www.abs.gov.au/statistics/industry/tourism-and-transport/overseas-arrivals-and-departures-australia>

6. 2019-20 Australian Accommodation Monitor	STR	2019-20 data released October 2020	2019-20 data released October 2020
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<https://str.com/aam>

<https://www.business.vic.gov.au/tourism-industry-resources/research/tourist-accommodation>

## List of resources

Survey	Source	Data used	Latest release
7. Australian National Accounts: Tourism Satellite Account (5249.0)	Australian Bureau of Statistics	2019-20 data released 10 December 2020	2019-20 data released 10 December 2020

<https://www.abs.gov.au/statistics/economy/national-accounts/australian-national-accounts-tourism-satellite-account>

<https://www.tra.gov.au/data-and-research/reports/national-tourism-satellite-account-2019-20/national-tourism-satellite-account-2019-20>

8. Labour Force, Australia (6202.0)	Australian Bureau of Statistics	October monthly data released 19 November 2020	February monthly data released 21 January 2021
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<https://www.abs.gov.au/statistics/labour/employment-and-unemployment/labour-force-australia>

9. Weekly Payroll Jobs and Wages in Australia	Australian Bureau of Statistics	Week ending 14 November 2020 released 1 December 2020	Week ending 13 March 2021 released 30 March 2021
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<https://www.abs.gov.au/statistics/labour/earnings-and-work-hours/weekly-payroll-jobs-and-wages-australia>

10. Household Impacts of COVID-19 Survey	Australian Bureau of Statistics	October monthly data released 16 November 2020	February monthly data was released 17 March 2021.
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<https://www.abs.gov.au/statistics/people/people-and-communities/household-impacts-covid-19-survey>

# International and National Visitor Surveys – data notes

## Data notes

### Revisions to the IVS data due to changes to passenger movement data

TRA revised IVS estimates from 2005 to 2018 with the year ending December 2018 data release. The revisions focus on purpose-of-visit estimates, with minimal change to visitor, nights and spend estimates. As the results have been revised back to 2005, please do not use/compare these results for the year ending March 2020 with data published prior to the year ending December 2018 release.

Base: Only those trips where International visitors aged 15 years who have stayed in Australia for less than 12 months are in scope. For further information on data sources used please refer to our summary of research sources, definitions and methodologies document found here: <http://www.tourism.vic.gov.au/research.html>. Figures that are unreliable and unable to be published are represented by '-'. Figures might not add up due to rounding.

Further information on international visitors is available on the [TRA website](#) and [Tourism Australia](#) website.

TO NOTE: IVS interviewing at Australian airports has been temporarily suspended from April 2020 as a result of travel restrictions, in place due to coronavirus (COVID-19), which have stopped most international passenger flows into Australia. There will be only limited IVS data available in the interim. Survey interviewing will recommence in line with easing of restrictions and as appropriate and viable, as determined by TRA. In the meantime, there will be a high-level temporary solution that will be able to provide high level IVS results. See the [TRA website](#) for information on how estimates for international visitors have been produced in the absence of survey data since April 2020.

### NVS methodology changes

As part of its continuous improvement program, TRA moved the NVS to a new methodology in 2019. With 97 per cent of the Australian population aged 15 years or more owning a mobile phone, TRA transitioned NVS sampling to 100 per cent mobile phone interviewing and discontinued landline sampling.

This change improves the accuracy of national, state and territory estimates. However, the transition from the 50 per cent mobile phone/50 per cent landline split resulted in an unavoidable break in series between 2018 and 2019 NVS data.

Note that 2017 and 2018 estimates have also been revised to align with the latest release of ABS population projections (following the 2016 Census) that are used to benchmark NVS results to the Australian population. Therefore, new estimates will differ from figures published previous to the March 2019 release.

Please use caution when making comparisons between 2019 and previous estimates and data releases, as the methodology change has caused increases to 2019 NVS volume estimates which have an upward influence on growth rates. Interpretation of results should focus on volume, share and growth relative to other states/regions rather than absolute rates of growth. That is, focus on if it is higher or lower when making comparisons instead of the exact percentage change.

Further details on the [NVS Methodology](#) changes are available on the TRA website. Further information on the NVS results can be found at [Tourism Research Australia](#) Base: Australian travellers aged 15+.

### Monthly NVS data

Monthly estimates for nine months ending September 2020 have been provided in a special analysis of data by TRA. These monthly estimates do not equate to the quarterly total due to methodology and technical approach to data aggregation.

Note: Data is considered correct at the time of publishing. Due care is taken in the production of this report, however DJPR accepts no responsibility for use of this information. Please contact: [research@ecodev.vic.gov.au](mailto:research@ecodev.vic.gov.au) with any queries.